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The "White Russians" and the Present Crisis

密勒氏評論報

SATURDAY, AUGUST 31, 1929

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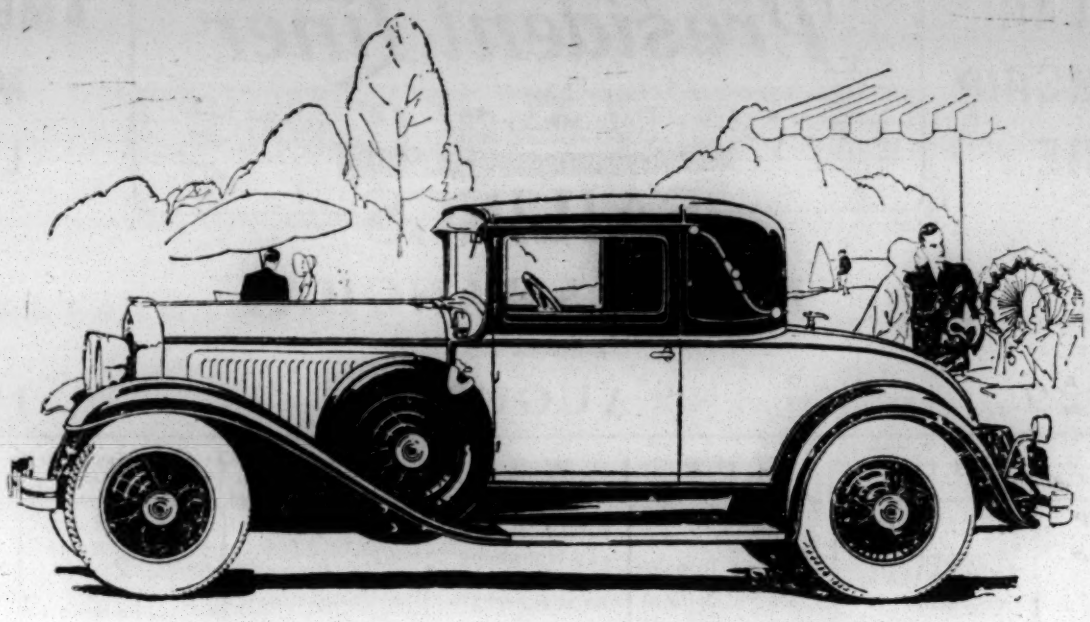

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FOR GALLANTRY!

ALL the world's heroes are not discovered in trench warfare nor in the more knightly combat of sea and sky. Frequently we hear of brave conduct by the men appointed to guard law-abiding society from evils that beseige it during peaceful seasons. Yet in the local police force real gallantry is so rare a thing as to be conspicuous and worthy of tribute.

Last Sunday morning a squad of three detectives was sent by the Shanghai Municipal Police to a house in the French Concession, off Rue Frelupt, to apprehend a gang of kidnappers who had captured and were holding for ransom Mr. S. C. Yok, a Chinese merchant, owner of a chain of drug-stores. The police previously had arrested one member of the gang, who divulged the whereabouts of his companions, and, acting on this information, the raid was carried out.

Upon entering the house, the squad of police was met with armed resistance, according to reports in the local papers. Forcing the kidnappers to retreat, the police finally came face to face with them in a small room near the roof of the building. It was while going up a narrow stairway to this room that Sergeant J. Moir, leading the raiding party, was fired upon by the criminals. There followed a rapid exchange of bullets, which lasted not more than a few seconds, but resulted in the death of three members of the gang, the disabling of two more, the arrest of several others, the wounding of Sergeant Moir, and the release of Mr. Yok. It all happened so swiftly, and it was so deadly an encounter, that the timid souls who read about it probably were more horrified than the intrepid police sergeant himself, who had little time in which to think it over.

Men have yet to prove that a method of law enforcement that demands so costly a sacrifice of human life—even though people may argue the lives are not worth saving—is defendable. But it is certain that in this instance Sergeant Moir deserves a full measure of admiration for his fearless conduct. It is not time to question him as to the worthiness of the cause for which he fought. After all, he was fulfilling his duty, a duty imposed upon him by the selfish laws of society.

Miraculously Sergeant Moir escaped with only a shoulder wound. Under fire from several members of the gang, the bullet-proof vest he wore seems to have been struck at least twice, and the shield at least four times—in addition to the bullet that found its mark. The only humorous note in

the affair is that the local British press as usual failed to agree, the actual number of shots which struck the sergeant and his shield in this instance being held in dispute. The *North China Daily News* reported that the shield "was dented by four bullets, while there were two marks on the waistcoat"; the *Shanghai Times* declared that "the shield was struck no fewer than five times, while the steel vest was hit three times"; and the *China Press* opined that "five shots hit the shield carried by Moir and three the back section of his bullet-proof vest."

We remain at a loss to understand the psychology of a supposedly civilized man who voluntarily will enlist in a unit which advocates murder as a means of enforcing law. It is frightful enough to be ordered to kill in an emergency, such as a so-called "war of defense." At the same time one cannot but recognize the personal heroism of Sergeant Moir, who, single-handed, faced a body of men equally as intent upon killing as the squad of which he was a member. It is true that he wore a bullet-proof vest—but we understand this did not protect the rest of his person. And that it was not entirely adequate is shown by the fact that he was wounded in spite of the protection.

Thus although we have little praise to offer for an act which results in such revolting slaughter, yet from a distance, and in a purely objective manner, the personal gallantry of Sergeant Moir, who certainly wins the title of "the killer", commands our respect.

SINCE THE ABOVE was written, jealousy appearently has stalked into the ranks of the Shanghai Municipal Police—jealousy of Moir's superb marksmanship. Late Tuesday afternoon two Chinese constables, afterward joined by a pair of traffic cops, held a little target practice in the neighborhood of Tibet and Foochow Roads. Casualties: one alleged robber killed; seven innocent pedestrians wounded, "*only* two of whom," the *China Press* naively points out, were "badly hurt."

The shooting began on the advice of a Chinese lad, who led the plain-clothes constables to the scene of a supposed hold-up of a pawnshop on Yunnan Road. Arrived there, the trio—the constables, and the youthful emulator of Sherlock Holmes—lay in ambush waiting for the four men in the store, whom the lad declared were conducting a hold-up.

A few minutes later, when four men did appear at the doorway, the would-be heroes opened fire upon them. The alleged thieves were allowed no opportunity to explain their presence, but were promptly given a death sentence, on the evidence supplied by the child prodigy. However, the Chinese "detectives" were not so accurate in aim as "killer" Moir, for although they were within easy range and opened a surprise attack, they failed to bring down a single man. However, they gave chase when those assailed took to their heels down Tibet Road. Meanwhile they continued to fire. Shot followed shot after the alleged robbers, but each went wide of its mark. At Pakhoi Road they were joined by traffic policeman number one, who added to the barrage. Just before reaching Avenue Edward VII, one of the supposed robbers fell dead, after traffic policeman number two had contributed to the firing. The rest of the pursued men escaped.

Meanwhile the flying bullets, wild as stallions, sped in all directions. A Chinese standing on a drying stage was the first casualty. He was not seriously wounded, but a few moments later a Chinese laborer was pierced through the shoulder and directly afterward another was "shot in a delicate but not vital spot." (Acknowledgment due to the *China Press* for this choice quotation.) Before Pakhoi Road two more were shot, one being wounded in the thigh and the other, a ricksha man, hit in the neck. To quote, for the rest of the shooting, the versatile reporter of the *China Press*:

"At the entrance to the Far Eastern Hotel, corner of Pakhoi and Tibet Roads, the first serious casualty to a pedestrian occurred, a coolie being shot through the eye, and, a few yards further on, a Public Works Department coolie who was working on the road was hit through the face, this wound also being fairly bad.

"Detective Sergeant Willis was riding along Tibet Road in a ricksha just after the shooting occured, and he attempted to get into action but was unable to do so because of the crowd.

"Altogether 29 shots were fired in the encounter, 19 by the Police and 10 by the robber; the latter's gun was empty when the police picked it up."

Thus another sanguinary, utterly unnecessary, brutal and murderous attack is entered in the annals of the Shanghai Municipal Police. Seven pedestrians wounded to kill one possible criminal, the guilt of whom was established by the testimony of a Chinese youngster! Such outrageous inefficiency could not go unchallenged in any other city in the world! It is a condition peculiar to Shanghai—this total disregard of the value of innocent human lives, this quaint custom of the local police in using law-observing citizens for target practice! A constable who cannot handle a gun with any more accuracy than these guilty imbeciles ought to be given a club only after an admonishment to use it with extreme care and in case of greatest urgency.

Had any one of the victims of this outrage been a foreigner we may be assured that the Shanghai Police would back-track at once from the appallingly insouciant and criminal attitude, "shoot to kill, and bother the bystanders!" which apparently prevails among its British, White Russian and Chinese mercenaries. But the seven were "only some Chinese coolies"—and thus constitute a matter of no importance to the local authorities. Such monumental stupidity as displayed by these members of the British-controlled and British-trained police not only leaves darker stains on that already badly soiled department, incompetent and ruthless, but also reflects seriously on the ability of the entire Shanghai governing body, peculiar and unparalled in its autocratic structure!

THE "WHITE RUSSIANS" AND THE PRESENT CRISIS

AN interesting element in the present Sino-Russian crisis is the attitude of the "White Russians" in China. Estimates vary considerably, but it is probably safe to say that there

are more than a hundred thousand Russians of the "White" orientation in China, most of them, of course, being in Manchuria. Numerically, therefore, they are quite insignificant as compared with the hundred millions of Soviet Russia, and the talk of their overthrowing the present regime in Russia by armed force is as absurd as similar dreams of Royalist visionaries in France. Nevertheless, there is no doubt that in a critical situation a group of determined and unscrupulous men can play an important role in provoking "incidents," in exacerbating relations between Russia and neighboring states, in creating complete misapprehension of Russia and Russian conditions among certain persons abroad,—all this in the hope that they may be able themselves to land something out of the troubled waters.

Significant are the official statements of the Soviet Government in this regard, pointing out to the Nanking and Mukden Governments the danger of having Russian "White Guard" detachments on the frontier, which they claim have been guilty of raids and attacks upon the Soviet border troops and civil population, these attacks leading to counter-measures. Statements made by Governments at times of tension like the present, of course, are not to be given too complete credence, and yet it cannot be said that these statements deal in improbabilities. It is not denied that there are armed Russians in Manchuria and along the Russian border, men who are outlaws so far as the present Russian regime is concerned, who are bitterly at war with this regime and its people, and who can be expected to utilize every opportunity, from "framing" Soviet agents and forging documents to sniping at Russian school-children and looting villages across the border, to strike at Soviet Russia and its people. Ordinarily, these acts may be mere "flea-bites,"—but a person may be so exasperated by flea-bites as to get into a serious scrap with the party who carries the fleas. Translated into the parlance of international relations, this may mean war.

One thing may be said with certainty, however, and that is that most of those claimed as "White Russians" in China are not carrying on any active war with the present Russian regime, and have no intention of doing so. Most of them are people with a certain loyalty to the old regime and out of sympathy with the new, and therefore living abroad, earning a livelihood in various walks of civil life and with little intention of taking up arms against their old fatherland. In fact, the recent Sino-Russian crisis has displayed to an extent disturbing to the official "White" leaders a widespread feeling of genuine sympathy with the Soviet Government in its present situation. With many of these so-called "Whites" it appears that blood is thicker than water, and whatever may be their dislike of the present Russian Government they are for it when it comes to a crisis with a foreign state. There have been many hot arguments on the subject recently among the "White" Russian community in Shanghai, and the present writer has heard one of the most venomous and unscrupulous Russian agitators against the Soviet regime, formerly the editor of a lurid sheet dealing day after day in the filthiest abuse and obscenity directed against Soviet Russia, talking with pride and satisfaction of the strength of the Soviet Russian troops and the inability of Chinese troops to check them in any way, while a more cultured and intelligent man, for years an active leader in a "White" organization here, has declared that in this time of crisis Russian patriots could not fight against their own country.

These divergences in thought find little expression in the Russian press here, as may be understood when one remember the conditions under which they are published. Most significant, however, is the general attitude of moderation on the subject. While critical of the Soviet Government, these papers indulge in surprisingly little invective, and take an attitude certainly not characteristic of papers editorializing against a bitter enemy who must be exterminated. A comparison of the "White Russian" with the Chinese press is most significant in this respect.

On the other hand, there is the report of a secret meeting of "White" Russians at Tsingtao, at which a program of activity is rumored to have been decided upon involving a request to the Chinese Government that Chinese troops should not cross the border into Soviet Russia: "White" forces would accompany the Chinese to the border, on the other side of which the "Whites" would deal with the "Reds" direct. That there are men who would put forth such a program seriously seems beyond belief, and yet it is reported on fairly credible sources, and indeed this general idea is the hope of the militant element of the "Whites" here at all times. The Chinese Government has emphatically denied any intention of cooperating with the "White Russians," and it is to be expected that they will live up to this. It does seem, however, that such a scheme as that said to have been proposed would be satisfactory in some ways, particularly if the gentlemen to be escorted to the border include the precious collection of "White Russian" policemen, informers, spies, forgers, and framers now carrying on a lucrative business here. It would certainly rid China permanently of her "White Russian militants,"—and some other undesirables as well.

IS THE MONUMENT MENACE INVADING CHINA?

RECENTLY we were commenting to a friend that although China has a copious variety of blights on the rural landscape, fortunately she had nothing quite so hideous or unsightly as the monuments found in provincial American and European towns. Prominent men in China, heroes of war or of statesmanship, generally have been honored in a more satisfactory manner. A dreamy lotus lake, or an idyllic garden spot, a blue-roofed temples, with rapier-like eaves—these have been traditionally dedicated to those who triumphed above their fellow men. What a fitting testimonial to a people's appreciation of genius, for instance, is the remarkable group of temples at Chufou, built in memory of Confucius. Nothing could be more eloquent of a nation's gratefulness.

In north China and the Yangtse valley—outside the treaty ports—we recall only two of the "foreign-style" monuments. They stand out conspicuously as incongruities on a Chinese background. One of them is the curious gray-stone needle at Ningpo, built by the British and French Governments as a memorial to their sailors who

died in action during the Taiping rebellion. It is on the Fenghwa River, close beside the ancient wooden floating bridge of Ningpo, and it remains to the Chinese, who suffer its presence with forbearance, an enigmatic monstrosity. (Perhaps we recall it with particular disfavor because it was while taking a photo of it that we discovered our expensive new camera had been broken.) The other of these foreign monuments in China that we remember is the statue of the Chinese engineer who completed the building of the Peiping-Suiyuan Railway. It was erected by a group of Chinese English returned students, and it is located close by the railway, at Nankow Pass. A more lonely figure cannot be imagined than the drab statue of this Chinese hero, solemnly surveying the results of his own genius, while clad in a frock coat and—if we remember correctly—a bow tie. One cannot help reflecting how much more impressive and in harmony with the rocky cliffs in this region, would have been a dignified Chinese stone *pailou*, built according to the olden tradition.

Recently we read in a *Kuo Min* message from Nanking, that, among other things, the Central Executive Committee had passed a resolution to the following effect: "That a first class annual pension of $600 each be granted to the survivors of the martyrs Shui Tung-chi and Li Min-fong of Shensi, and that the Shensi government be instructed to erect monuments at their respective native towns."

Perhaps we are unnecessarily alarmed. The government may be planning merely to lay a neat garden, or build a public library to the memory of these gentleman—the explanation of whose martyrdom, unfortunately, *Kuo Min* has failed to supply. The Central Government already has made known its views regarding temples and shrines in a manner most decisive. And as we observe an increasing tendency toward China's Americanization in many things, it may easily extend to building iron and stone statues. We cannot hope therefor, that a new and splendid Temple of Confucius may rise in testimony to the bravery of these patriots. But we shy from that word "monument". Perhaps we are too easily frightened, but in it we comprehend fat marble babies being utilized as public drinking fountains; statues of large-muscled young men representing Virtue, trampling on serpent-deaded Medusas, typifying Vice; ridiculous images of town fathers in cutaways and outmoded trousers; or tall, utterly useless, utterly inane stone pillars, such as the Russo-Japanese War Memorial erected by the Japanese in Mukden. Anyone who has travelled through America or England will sympathize with us when we exclaim, "From all these, by the grace of God, may China be saved!"

NOT ALL KNOCKERS

SINCE so much publicity has been given to the interview obtained by the *Osako Mainichi* with Gideon Lyon, of the Los Angeles *Times* in which Lyon was reported as having rather flippantly remarked that China's ambitions for extrality abolition were "nonsense", it is pertinent to point out that one or two other members of the American newspaper party, of whom Lyon was one, recently have voiced opinions showing a much saner and more liberal attitude toward China. George Johns, editor of the St. Louis *Post-Dispatch*, for instance, has displayed a sense of fairness and understanding that ought to help shatter the impression which has got abroad among Chinese that the American newspaper party was "poisoned" by anti-Chinese propaganda conducted by the Japanese.

Mr. Johns, who was chairman of the party, which recently toured the Far East under the auspices of the Carnegie Endowment Fund, in an interview at Manila with the *United Press*, on August 21, declared, in part, in answer to a query as to whether Lyon's statements represented the conclusions of the group:

"No member of our party was authorized to express the opinion of any or all the members of the group. That was thoroughly understood. Each was free to express his own opinion, however. I am not authorized to speak for the party, but for myself. I can say that I never lost sympathy with China in her effort to establish a republican government. I recognize mistakes on the part of China and the fact that conditions are not altogether satisfactory, but I appreciate the difficulties under which the Chinese government is laboring. I believe that China is making progress and that phases due to revolution and to obstacles in the way of progress, will pass in time. I believe that extraterritoriality will be abolished when the Chinese demonstrate the organization of a sound judicial system."

While this is perhaps not the unqualified endorsement that some would like to hear for the present government it certainly cannot be called prejudiced or biased. It is true that the opinions expressed are not profound, but neither are they superficial. And the tone of Mr. Johns' interview is so much more acceptable to a fair-minded observer of the trend of progress in China that in contrasting it with the silly, inane, flippant attitude assumed by Brother Gideon, the flickering quality of the latter's sincerity is made obvious.

JAPANESE PAPERS IN SHANGHAI

THERE are, we understand, three Japanese dailies in Shanghai. This is no very large number, in view of the size of the Japanese population here, particularly as compared with the English speaking population. There is, we believe, no essential difference in policy between the different Japanese papers, any more than there is between the various British-owned papers in the city. They are essentially Imperialist in their attitude, just as are the British papers, and all for the foreigner as against the native.

They must deal at present, however, with some circumstances which do not face other foreign papers here. First of all, there is not only the exercise of a certain indirect control over their writings by the Chinese Government through its hold upon the post-office and other means of communication, but there is also direct control by the Japanese Consular authorities. This latter control is very drastic, and the Japanese authorities can shut down one of their own papers completely if they think necessary, just as in Japan.

This last-named censorship has been applied here recently against the *Shanghai Mainichi Shimbun*, said to be the largest paper in the city city. Strange to say, some of our British contemporaries, so blatantly enthusiastic in the noble cause of freedom of the press when the Nationalist Government banned the *North-China Daily News* from the mails, evinced

the most striking apathy with regard to this complete closing down of a foreign newspaper for half a month!

It appears that the Japanese authorities here, in consonance with their practice in Japan, are in the habit of sending out orders to newspapers under their jurisdiction regarding news the publication of which they consider undesirable. These orders sometimes work out in an unexpected way, as journalists who have had experience in Japan are aware. When there appears to be no "news" on tap whatsoever, there will come a message from the police advising of some incident of genuine interest and importance which is not to be mentioned in any way. In this way the police frequently give the papers the "low-down" on matters which otherwise might not have come to their attention at all, and although there is a ban placed upon publication of such matters, it is usually possible to let the story out in a roundabout way, and sooner or later it becomes public property. So the censorship defeats its own ends at times, though of course not always. There is no doubt that the Government's control of popular thought, particularly at critical times, is prequently of real value to it in its policy.

Sometimes, however, the banned news will be so trivial that one wonders why it was shut out at all, and at times it will slip by without attracting the editor's eagle eye just because of its insignificance. Such may have been the case with the *Shanghai Mainichi*, which was shut down, according to report, for giving an account (against an official order) of the arrest by Japanese authorities of a prominent Japanese Communist and scholar here, charged with subversive activities. If we are not mistaken, this is the same party, Gaku Sano, who was officially reported arrested in Tokyo on August 26, after his return from Shanghai. Just why the Japanese authorities wanted to report him arrested in Japan, and not in Shanghai, is not very clear to us, and it is equally unclear why a newspoper should be suppressed for reporting the arrest at about the time it occurred instead of a week later. Howerer, the "mind"of the censor passeth all understanding at times.

On the other hand, another Japanese newspaper, the *Shanghai Nichi Nichi*, appears to have been banned from the mails a couple of weeks ago, by the Chinese authorities, supposedly for "publication of an article which tended to provoke public opinion detrimental to the prestige of the Chinese Government," according to an explanatory letter attributed to the Inspection Bureau of the Woosung and Shanghai Garrison Headquarters a few days ago, announcing the lifting of the ban.

We do not know what the offending article consisted of, but some of the criticisms in Japanese papers are indeed pointed. Many of the articles printed in Japanese papers here would not be tolerated for a moment if directed against their own government,—and it would not mean merely a temporary banning from the mails either.

AMERICA'S ANSWER

SHANGHAI political circles were set "all of a twitter" this week when the *Tsingtao Times* for August 24 arrived and it was discovered that it contained what was alleged to be the full text of the reply of the United States to China's note of April 27, requesting the abolition of extrality. For days newspaper men—foreign correspondents and local journalists—had been haunting the shadows of members of the staff of the Ministry of Foreign Affairs—everyone from the office boy up to Dr. Wang was questioned regarding the contents of the American or other replies to China's note. E. S. Cunningham, consul-general at Shanghai, also was coming in for his share of attention. Nearly every day since August 12, the date upon which receipt of the American answer was announced by Dr. Wang, Mr. Cunningham was met with the inquiring reporter's, "What about America's reply?"

Since last Saturday, however, when the Ministry of Foreign Affairs announced that none of the replies was to be published, there had been a brief lull in the journalists' persistency. It was understood that the full text of the answers were not to be released until after China had sent her second note on extrality to the powers, which, it is announced, is now being prepared. Then however, came Wednesday, and with it the *Tsingtao Times* of August 24.

Ordinarily a newspaper of little importance to Shanghai readers, the issue which contained the note immediately took on an unprecedented value. As it has but few subscribers in Shanghai, a *Tsingtao Times* of August 24, available last Wednesday or Thursday, was at a high premium. News men were frantic in their efforts to procure the coveted number which contained the American answer.

Fortunately, the *Review* had a copy of the paper and is able to submit to its readers elsewhere in this issue the complete text of the alleged note. Proving its authenticity is not so easy a matter, although there seems little reason to doubt that it is a correct copy of the original. The *Times* itself furnished no information as to the channels through which it obtained the copy it prints, it being headed merely, "Washington's reply to China's Note on Abolition of Extraterritoritlity." It is understood that officials at the American Legation expressed mystification when shown a copy of the *Times* version, but declined to comment as to its authenticity. Locally, Mr. Cunningham also refused to verify it, although it is known that he possessed a complete copy of the original. And Dr. C. T. Wang, after he had seen the August 24 *Times*, also was noncommittal, only remarking that there had been an understanding between the ministers of the powers and himself that the note was not to be released, except on China's authorization.

Thus there exists the peculiar situation of the alleged note's having been made public (The *Evening Post* for August 29 reprinted it in full), with neither official confirmation nor denial as to its accuracy available either from China or America. The natural assumption is that if it were not correct both the foreign office and the Legation would quickly brand it as a fabrication, and since this has not happened, it seems very probable that note is all that it is represented to be.

Who gave out the reply? That is a question which undoubtedly will cause considerable vexation on the part of Minister MacMurray as well as the Ministry of Foreign Affairs. There has been a serious leak somewhere. Several theories are afloat. It is pointed out that the note may have reached the *Ttmes* from Chinese sources, as it is known that a number of copies were sent to the various commissioners of foreign affairs. The fact that the editor of the *Tsingtao Times*, Major C. F. Stockwell, also is advisor to the Commissioner of Police of Tsingtao seems to

lend color to the rumor that his paper secured from Chinese sources its as yet unverified copy of the answer. But the Ministry of Foreign Affairs declares it did not release the note to anyone in Tsingtao, so that if it actually was released and given out there by the Chinese, they must have obtained it indirectly.

Another theory is that it was released by the American consul at Tsingtao, on the strength of a *Reuter's* report, (apparently based on a statement from the Legation), which announced that the reply would be given out either on the 23rd or the 24th. Without waiting for final official confirmation, he might have given permission for its publication.

Still another explanation is that it may have been secured from some careless member of the staff of the Legation, or that it may have been "lifted" from the files while somebody's back was turned. Any one of these explanations—or none—may explain its appearance in the *Times*. But, for the present at least, the means by which the Tsingtao paper came into possession of the alleged reply remains as much or more of a mystery than has been the text of that reply itself, for the past three weeks.

British Soldiers Victimize Hongkong Chinese

BY S. Y. LEUNG

(*The Review's Canton Correspondent*)

DESCRIBING him to be a disgrace to the Colony and a disgrace to the country that gave him birth Mr. T. S. Whyte Smith at the Hongkong Magistracy on the morning of August 16 sentenced a British sergeant, John Charles Wootton of the Hongkong Water Police, to one year's hard labour, the culprit being charged and convicted of four counts of accepting bribes and one of misconducting himself as a public servant.

In outlining the case, the Public Prosecutor, Mr. H. Somerset Fitzroy, said that it was one of the most serious that Hongkong had tried for a long time. On August 5 the defendent steamed out of Lyeemun Pass on a Police launch in the Hongkong Harbour and demanded money from innocent and ignorant fishermen. In one instance, not being able to get sufficient money, he took one fisherman on board until he was able to get his "squeeze". Another man had no money and has his sampan stolen. Where the craft had gone was not known.

Not satisfied with that, the culprit on the following night collected a considerable amount of money from innocent boat people at Chai Wan Bay on the other side of the Hongkong Harbour. He extorted money from fishermen, who, thinking that they were fined by the Police and that the defendent was a representative of the Water Police, paid him money. The next night be proceeded out to the Harbour in like manner and secured more "squeeze" money.

The defendent entered a plea of guilty. At the conclusion of the case the Prosecutor said that one boat had been towed away by the defendent and turned over. It was the loss of this boat that led to the terrible state of affairs being brought to light.

British Soldiers Rob Jeweler

British soldiers of the K.O.S.B. and Somerset Light Infantry Regiments figured at a few robbery cases brought out in the Hongkong Magistracy during the past week or so and in all the cases Chinese shops and traders were victimized. Two privates from the Somerset Light Infantry were charged before Mr. E. W. Hamilton on August 15th in Hongkong Magistracy and charged with the theft of a number of watches from a watch maker's shop on the previous night.

It appears that Private Harry Brigg and Thomas Wynes of the S.L.I. went into a watchmaker's shop at No. 26, Queen's Road East and asked to be showned a number of wrist watches and a metal wrist watch, they suddenly decamped with these. They were subsequently arrested by the Police following a chase. Both defendents returned a prompt plea of guilty and an explanation from Private Brigg that "being short of money, he went out with the intent to steal to get some money." In passing the sentence the Magistrate said, "I suppose it is the old story of trying to go Home, as two men from your regiment were not long ago sentenced by me, and the sentence passed on them did not seem to carry much weight. I therefore sentence you to six months' hard labour each."

Chinese Cafe Robbed

Two British soldiers attached to the K.O.S.B. Regiment in Hongkong were involved in a robbery at the On Lok Yuen Chinese cafe on August 11 when at about mid-night the two soldiers, while paying money to the man at the counter of the shop, suddenly snatched a roll of bank notes from the automatic cash box and took to their heels. The shop keeper was too surprised make a chase, though he reported the incident to the Police subsequently. Two suspects were detained by the Police, but following an unsuccessful attempt at identification at the military barracks the two men were not charged.

Kwangtung to be Reduced

The Commander-in-chief of the Kwangtung Army, General Chen Tsai-tang, and Madame Chen Tsai-tang, Admiral Chen Tsak, head of the Canton Navy, were among the passengers who arrived in Hongkong Harbour on board the President Madison on the morning of August 17. This party of prominent Canton officials left for Canton on the following morning on the Chinese gunboat *Chung Shan*.

In an informal conversation with your correspondent, the Canton General asserted that there will be a curtailment of the army in Kwangtung into five divisions with each division consisting of four regiments. General Chen who is acting concurrently as special disbandment commissioner of Kwangtung says that it is the decision of the Nanking Government that the Eighth Route Command Headquarters at Canton City should continue with its work for the time being. The reorganisation of this military command will be effected as soon as General Chen Tsai-tang had accomplished his disbandment plans. (It should be noted that the Eighth Route Command was formerly the military office in South China of Marshal Li Tsai-hsin now in Nanking.)

With the return to Canton of General Chen Tsai-tang to look after the military affairs it is understood that the Chairman of the Kwangtung Provincial Government, General Chen Ming-shu in the company of Mr. Tang Yin-wah, Commissioner of the Reconstruction Bureau, will leave for Nanking departing from Canton on the morning of August 19. Their destination will be the Nationalist Capital and it is understood that they will interview and discuss with Marshal Chiang Kai-shek, President of the State Council, important financial administrations in South China.

Relative to the disbandment movement in South China an independent report from Canton states that after the disbandment the Canton Government will put aside only $3,000,000 a month for the upkeep of her army and this figure will be gradually reduced to $2,500,000. The five new divisions will be under the commanders, Messrs. Li Yeung-king, Yu Hon-mow, Heung Hon-ping, Tsoi Ting-kai and Chiang Kwang-nai. Under the new disbandment scheme each division will consist of only 6,000 men to be divided into four regiments in each division. There will be a small corp of artillery in each division bringing the sum total of units up to about 7,500 men.

Smokes in Shameen

It has always been the privileges of foreign residents in the foreign concession in Canton City, Shameen, to be exempted from paying taxes to the Canton Government on their tobacco and cigarettes. Following negotiations by Mr. Tao Li-him, the Commissioner of Foreign Affairs with the authorities who control the settlement, cigarette and tobacco sellers in Shameen are now obliged to pay the tax on cigarettes and tobacco and all packages are now to be labelled with the proper tax stamps. Any stock found without revenue stamps affixed will be liable to confiscation. This step removes the element of unfair competition about which city dealers, especially those along the Shakee, that part of Canton city nearest to the foreign settlement, have been complaining. It should be noted that the tobacco and cigarette revenue tax has been enforced in Canton for many years in the past, but sheltering behind the protection afforded by the foreign settlements cigarette and togacco venders in Shameen have evaded payment of taxation. Hongkong, August 19.

Full Text of America's Reply to China's Note Requesting the Abolition of Extraterritoriality

(The following note appeared in the Tsingtao Times for August 24. It is declared to be a copy of the original delivered to Dr. C. T. Wang by Minister MacMurray on August 10, in answer to China's note of April 27, which was a request for negotiations toward the immediate abolition of extrality. While no positive confirmation of the authenticity of the note as yet has been obtainable either from the Ministry of Foreign Affairs of the National Government, or from the American State Department, the Review has substantial reasons for believing it is the correct version and therefor offers it to its readers as such.)

Peiping, August 10, 1929.

His Excellency
Dr. Chengting T. Wang,
Minister for Foreign Affairs, Nanking.

Excellency:

I have the honor to acknowledge the receipt of the Chinese Government's note of April 27th in which there is expressed the desire that the United States should relinquish the further exercise of extraterritorial jurisdiction over its citizens in China and the hope that the American Government will take this desire into immediate and sympathetic consideration.

I am directed by my Government to state that it is prepared to give sympathetic consideration to the Chinese Government, giving at the same time, as it must, due consideration to the responsibilities which rest upon the Government of the United States in connection with the problem of jurisdiction over the persons and property of American citizens in China. My Government, has, in fact, for some time past given constant and sympathetic consideration to the national aspirations of the people of China, and it has repeatedly given concrete evidence of its desire to promote the realization of these aspirations in so far as action of the United States may contribute to that result.

As long ago as the year 1903, in Article 15 of the treaty concluded in that year between the United States and China, the American Government agreed that it would be prepared to relinquish the jurisdiction which it exercised over its nationals in China "when satisfied that the state of the Chinese laws, the arrangements for their administration, and other considerations warrant it in so doing." As recently as last year, the American Government gave very definite evidence of its desire to promote the realization of China's aspirations by concluding with the Government of China, on July 25, 1928, a treaty by which the two countries agreed to the cancellation of provisions in earlier treaties whereby China's authority in reference to customs duties on goods imported into China by American nationals had been restricted.

The exercise by the United States of jurisdiction over its citizens in China had its genesis in an early agreement that, because of difference between the customs of the two countries and peoples, and differences between their judicial systems, it would be wise to place upon the American Government the duty of extending to American nationals in China the restraints and the benefits of the system of jurisprudence to which they and their fellow nationals were accustomed in the United States.

Exercise of Extraterritorial Rights Limited

My Government deems it proper at this point to remind the Government of China that this system of American jurisdiction as administered by the extraterritorial courts has never been extended by the United States beyond the purposes to which it was by the treaties originally limited. Those purposes were lawful control and protection of the persons and property of American citizens who have established themselves in China in good faith in accordance with the terms of the treaties and with the knowledge and consent of China in the normal development of the commercial and cultural relations between the two countries. The United States has never sought to extend its sovereignty over any portion of the territory of China.

Under the provisions of the treaty of 1844, and other agreements concluded thereafter which established that system, American citizens have lived and have carried on their legitimate enterprises in China with benefit both to the Chinese and to themselves. They have engaged extensively in cultural and in commercial enterprises involving large sums of money and extensive properities, and, as your Government has so graciously indicated in the note under acknowledgment, there has grown up and existed between the peoples and the Governments of the two countries a friendship that has endured.

The American Government believes that this condition of affairs has been due in large part to the manner in which the relations between the two peoples have been regulated under the provisions of these agreements, the existence of which has assured to the lives and property of American citizens in China the security so necessary to their growth and development.

For the safety of life and property, the development and continuance of legitimate and beneficial business depend in the last resort, in China, as elsewhere, upon the certainty of protection from injury or confiscation by a system or known law consistently interpreted and faithfully enforced by an independent judiciary. Where such protection falls, the life and liberty of the individual become subject to the constant threat of unlawful attack, while his property suffers the ever-present danger of confiscation in whole or in part through arbitrary administrative action. To exchange an assured and tried system of administration of justice, under which it is acknowledged that life and property have been protected and commerce has grown and prospered, for uncertainties in the absence of an adequate body of law of an experienced and independent judiciary would be fraught with danger in both of the foregoing respects.

Protection of Legitimate Interests

My Government has instructed me to say that the statement of the Minister of Foreign Affairs of China, telegraphed to the press of the United States on July 26, to the effect that "all foreign interests in China purely for legitimate purposes will be duly respected" has been noted by it with pleasure as indicating that the Government of China has not failed to appreciate the value to its foreign relations of the factors above mentioned. My Government bids me add that it is therefore persuaded that the Government of China will concur in its belief based as it is upon the facts set forth in succeeding paragraphs, that the sudden abolition of the system of protection by its extraterritorial courts in the face of conditions prevailing in China today would in effect expose the property of American citizens to danger of unlawful seizure and place in jeopardy the liberty of the persons of American citizens.

The Chinese Government has on several occasions during recent years, expressed the desire that the Powers relinquish the exercise of extraterritorial jurisdiction over their citizens. In the note under acknowledgment reference is made to the position taken at the Washington Conference. It will be recalled that, in pursuance of the resolution adopted at that Conference, there was created a Commission to inquire into the present practice of extraterritorial jurisdiction in China and into the laws and the judicial system and the methods of judicial administration of China, and that, under date of September 16, 1926, this Commission made its report.

This report contained an account of the conditions then prevailing in the judicial system of China, as well as a number of recommendations carefully suggested as indicating the changes and improvements which would be necessary before there would be adequately developed a system of known law and as independent judiciary capable of justly controlling and protecting the lives and property of the citizens of foreign countries doing business in China. Your Government will recall that the Commission on Extraterritoriality which made these recommendations was composed of representatives from thirteen countries including both China and the United States and that its recommendations thoughtfully and reasonably conceived were unanimously adopted and were signed by all of the commissioners.

Because of its friendship for the Chinese people and its desire, to which allusion has been already made, to relinquish as soon as possible extraterritorial jurisdiction over its own citizens in China, my Government has followed with attentive consideration this entire subject, including

particularly the progress which has been made in carrying out its recommendations since the rendition of this report.

No Independent Chinese Courts

If fully appreciates the efforts which are being made in China to assimilate those western judicial principles to which your Government has referred in its note, but it would be lacking in sincerity and candor, as well as disregardful of its obligations towards its own nationals, if it did not frankly point out that the recommendations aforesaid have not been substantially carried out and that there does not exist in China today a system of independent Chinese courts free from extraneous influence which is capable of adequately doing justice between Chinese and foreign litigants. My Government believes that not until these recommendations are fulfilled in far greater measures than is the case today will it be possible for American citizens safely to live and to business in China and for their property adequately to be protected without the intervention of the consular courts.

In conclusion, my Government has directed me to state that it observes with attentive and sympathetic interest the changes which are taking place in China. Animated as it is by the most friendly motives and wishing as far as lies within Government power to be helpful, the American Government would be ready, if the suggestion should meet with the approval of the Chinese Government, to participate in negotiations which would have as their object the devising of a method for the gradual relinquishment of extraterritorial rights, either as to designated territorial areas, or as to particular kinds of jurisdiction, or as to both, provided that such gradual relinquishment proceeds at the same time as steps are taken and improvements are achieved by the Chinese Government in the enactment and effective enforcement of laws based on modern concepts of jurisprudence.

I avail myself of this opportunity to extend to your Excellency the renewed assurance of my highest consideration.

(Signed) J. V. A. MacMURRAY.

Kao Yings Due Here Next Week; Goverment Body Demanding Heavy Sentences

Mr. and Mrs. Kao Ying and Mr. Su-en Fu. who have been deported from the United States for trial in China upon charges of opium smuggling and other offenses connected therewith, are due to arrive in China by the N. Y. K. steamer *Shinyo Maru* next week. As the two men are consular officials, the U. S. Government has agreed to the trial taking place here. Before issuing the deportation order, the State Department at Washington compared the American and Chinese criminal codes, and found that the penalties for smuggling were practically the same in the two codes.

It is reported from Nanking that the Ministry of Foreign Affairs has instructed Minister Wu at Washington to forward all document concerning this seizure for use in the trial, which is to take place in an ordinary court. It is rumored that the Opium Suppression Committee of the National Government, which has already issued strong denunciations of the as yet untried defendants, has demanded heavy sentences for them, and is expected to bring charges against them when they come to trial.

Local Britisher Gets 12 Mouths For False Statements

Albert Cecil Townsend, managing director of Townsend, Day and Co., was sentenced to a year's imprisonment at the British Supreme Court on August 28, for making false statements with intent to deceive or defraud the Chartered Bank of India, Australia and China.

As reported in the *Review* August 17, Townsend had been securing overdraft facilities from the Chartered Bank on the representation that he had a large number of skins in his company's godown, getting Tls. 100,000 in advances before the bank investigated, when it was found that both the number and the value of the hides had been greatly exaggerated.

Townsend was granted a jury trial, at the close of which the jury, after an hour and a half of deliberation, found him guilty of two of the three charges of false statements. In imposing the prison term of one year, Judge King pointed out that the charges were serious ones, to the root of commercial morality in Shanghai, and he could see very little ground for passing a lenient sentence.

Educational Conditions in Honan

By Mark M. Lu

BEGINNING at the 11th year of the China Republic, the Honan educational fund became independent. The bureau of the Honan educational funds and property was organized by the educational authorities and the tax from the buying and selling of land was taken as the educational fund. The annual revenue in the years of good harvest may be more than $1,600,000. During the recent years, owing to the prolonged civil war, the educational work in the provincial capital has been greatly affected, while in the districts (hsien) it seems there is no educational work to be mentioned.

According to the educational authorities mass and rural education both are being especially emphasized in the 18th year (1929).

People's Schools—The Honan Educational Ministry is going to open the People's Normal School and the Experimental People's Normal School in the coming fall, so as to study methods and material and to cultivate leadership for mass education. Within the six years tutelage period, all the uneducated people in Honan are to be forced to understand the Kuomintang principles, to have common sense in their own occupations and will receive elementary education. In order to investigate the number and the sex of the uneducated people, and the number of the schools and the teachers and the funds which are needed, the first two years are to be taken as the preparatory period.

Rural Normal Schools—City education in Honan has so far been emphasized, but rural education is neglected. The students of the different normal schools after their graduation are not willing to do their teaching work in the small villages. In order to correct the former mistakes the educational authorities have decided to establish in the coming fall, a rural normal school in which the students are to be required to take the rural school teacher's position as their life work. About $40,000 are drawn for this purpose.

The following lists are to give a bird's view of the educational conditions in Honan.

Educational Institutions		*Annual Expenses*	*Number Students*
University	1	$255,295	679
Senior Middle Schools	1	$ 91,752	649
Junior Middle Schools	15	$228,540	2,795
Men Normal Schools	5		1,105
and Women Normal Schools	2	$208,080	275
Occupational Schools	5	$ 36,600	367
Higher Primary Schools	6	$ 44,226	3,162
Provincial Kindergarten	1		42
Lower Primary Schools	5	$ 49,980	2,102
Attached Lower Primary Schools of the Normal Schools	7	$ 40,980	1,930

Name of Organs	*Annual Expenses*
Honan Library	$11,244
Citizen Library	$ 6,996
Chung Shan Library	$ 4,630
National Library	$ 8,484
Educational Museum	$ 3,012
Public Play ground	$ 7,560
Editorial Bureau	$11,320
Social Educational Enlargement Department	$ 7,633

Public Schools	*Students Number*
Junior Middle Schools	960 8
Annual Government Supplementary Fee	$30,399

The annual total educational expenses of the 17th year (1928) in Honan are as follows.

University	$255,293
Middle Schools	$594,371
Primary Schools	$133,868
Mass Education	$ 54,863
Others	$ 93,028

The total amount is $1,131,423.

Kaifeng, August 8, 1929.

China Spreads Her Wings

By Randall Gould

(United Press Staff Correspondent)

DURING the course of next month equipment from America will be landed and preparations will be completed for China's first genuine start toward nation-wide commercial aviation.

Officials here of Aviation Exploration Inc., backed by the great Curtiss-Wright-Keys aviation group in the United States, are busily engaged in finishing details of preliminaries for opening some time during October the first of three regular air-lines for which the corporation has contracts with the National Government.

Five Loening amphibians of the most modern type, each capable of carrying six passengers together with two pilots and a regular qouta of mail, are being landed, assembled and put through test flights as the nucleus of what probably will develop into a great aerial fleet. They have metal hulls. Hornet radial air-cooled nine-cylinder engines of 525 horsepower will propel them.

Several other ships of various designs were brought here for test before the Loening amphibian was decided upon as ideal, for the first stage of the work, at least.

route, will be opened last and it is possible that another type of aircraft than the amphibians may be used.

It is important to note that at present the best possible time between Hankow and Canton is about a week, with a fortnight more probable because of the difficulty of making proper boat connections. By air this time will be cut to a few hours.

Vice-President Edward L. Fries

Edward L. Fries, a jovial Kentuckian with a lifetime of experience in transportation, holds the position of vice-president of Aviation Exploration Inc. He particularly stresses the unique function of airplanes in China transportation today.

"We have a special job," says he "which does not conflict with the jobs of other transportation media, but supplements them. Aviation is the fourth and last of the four ways of transportation, viz., roadways, waterways, railways and airways.

"China is at present poorly provided with any sort of cross-country transportation and so the airplane should

Staff of Aviation Exploration, Inc., representing the Curtiss-Keys-Wright Aviation interests, New York City. From left to right: Back row: Mr. Minard Hamilton, Special Representative; Mr. J. M. Wilson, Field Engineer; Mr. E. L. Fries, Vice President and General Manager; Mr. W. B. Trundle, Pilot. Front Row: Mr. Harry G. Smith, Vice President and Operation Manager: Mrs. E. W. Miller, Secretary; Dr. George Sellett, Counsel.

From the inauguration of service, each field will be in radio contact with each other field, and within a short time the ships will receive wireless messages from the fields. Eventual provision may be made for radio contact between ships and fields.

The contract now held by Aviation Exploration Inc. provides for mail and passenger service from Shanghai to Hankow, from Nanking to Peiping and from Hankow to Canton. The Shanghai-Hankow route, following the course of the Yangtse river and linking two of the greatest river ports of China, will be the first route to be flown. Amphibians are considered ideal for such service, since the planes will always be within reach of a water landing although some of the river meanderings can be cross-cut as the most efficient routings are worked out.

It is expected that the Shanghai-Hankow trip, which on the up-river journey ordinarily requires some four days by steamship, can be covered by air in six hours with halts at Nanking and Kiukiang.

When the Nanking-Peiping route is opened, through passengers from Shanghai can fly to Nanking and there "change cars" for the trip north. The Hankow-Canton route, which offers the most difficulties because it goes over mountainous country not yet pierced by railroad but which by this very reason is particularly valuable as an airplane prove particularly valuable. We shall be glad, however, to see the other three means of transportation developed as fast as may be, for they will add to the prosperity of the country and it is by the general building-up of the country that we hope to get our eventual profit.

"For the time being we are not looking for immediate profit. We aim to give help, service. Backed by virtually unlimited means and by the vision of C. M. Keys, my immediate superior and head of the Curtiss-Wright-Keys group, we are in position to develop gradually, profiting as China herself profits. We feel that China and the Far East in general is due for tremendous growth and we want to be here sharing in and helping that growth."

Another newly-arrived vice-president, who has the title of operations manager, is Harry G. Smith, originally from Iowa. He brought with him a pilot, W. B. Trundle, and other pilots will arrive in due course.

Smith himself has an "air history" of 4600 hours in the air, extending over a period of 12 years, and only thoroughly seasoned men are being brought out. A tabulation of the aerial histories of Smith and the four pilots thus far selected figures out as follows:

Name	*Hours*	*Years*
Allison	8000	11
Kaufman	4200	12
Johnson	4900	17
Trundle	1900	4

Smith	4600	12
Total	23600	56

Average, 4720 hours, and 11.2 years.

Training of Chinese Pilots

While for safety's sake it is deemed assential to start service with men of exceptionally long experience—2000 hours being ordinarily considered a surprisingly long record— it is the desire of the company to train Chinese polots to take over as soon as such a change would be compatible with security. Accordingly, from the beginning of service each plane will carry a special Chinese pilot in addition to the foreign pilot in charge of the ship. No "green" men will be taken, but Chinese of sufficient previous piloting experience so that they have a substantial basis on which to build.

M. Hamilton is here as special representative and he will work on roving assignment, developing all possible new opportunities for furthering aviation. J. M. Wilson, field engineer, is an "old China hand" of many years' experience in the Far East.

Mechanics and radio men will also be brought out, all have experience equivalent to that of the pilots.

All the group is thoroughly "sold" on the idea of large-scale long-time development of aeronautics in China, and their attitude may be said to be in marked contrast to that of many previous airplane representatives who have endeavored to make a dent in the China field with less power behind the drive.

Those who have observed the various tentative efforts of Chinese warlords and others to go into flying on a basis of buying a plane or two and taking them up, without knowledge or definite plan, have felt that no such procedure would work out here. It kept China in the stage which America went through before flying meant more than exhibition "hops" at country fairs, although Chang Hsueh-liang with the encouragement of his late father Chang Tso-lin made some progress in the development of a military aviation organization in Manchuria.

While it is impossible to forecast the eventual working-out of aviation in China, most experts believe that Fries, Smith and their associates represent the most definite step forward which has yet been made and that their plans should produce results.

Shanghai Water-Works Strike Ends; Masters Win

After a strike lasting almost four weeks, the Shanghai Water-Works employees who walked out on strike July 25 returned to work last week, excepting for some active union men who were refused re-employment.

Twenty coolies are reported to have returned to work at Yangtsepoo on August 15, making up a staff for a boiler-room. The following day the Kiaochow Road staff was announced to have returned. August 19 more than a hundred strikers from Yangtsepoo resumed work, after careful weeding out of active union men by the management, and most of the remaining strikers returned the following morning, after similar discrimination. The management of the water-works states that none of the strikers' demands have been complied with in any way.

The strike began over the locking out of a shop where the workers had been demanding the reinstatement of some union men who had been dismissed. When this shop was locked out the whole staff—some 400 in all—walked out.

Pan-Pacific Trade Union Conference at Habarovsk

The Pan-Pacific Trade Union Conference opened at Habarovsk on August 15, according to reports received in Shanghai. Countries represented by delegates included Russia, China, Japan, the Philipines, the United States, Korea, and others. The Conference is essentially a section of the Red International of Trade Unions, dominated by the Russian official trade unions and the Comintern. With regard to the Sino-Russian dispute, the Conference is reported to have taken an attitude of whole-hearted support of Soviet Russia.

According to the *Shanghai Times*, there was a "lengthy speech in English by some one with a strong American accent. The latter proved to be a Chinese communist of American extraction," whatever that is.

The Conference was originally scheduled for August 1 at Vladivostok, but apparently was changed owing to conditions connected with the present dispute between China and Russia. Three Australian delegates, who intended to travel via Japan but who were refused permission to land there in spite of their possession of proper consular visas, left Shanghai last week for Vladivostok, after a stay in this city of more than a week.

Ship's Captain's Claim For Breach of Contract Denied In U. S. Court

In the U. S. Court for China on August 22, Judge Purdy handed down a judgement against the plaintiff in the case of Captain Bert E. Jolidan against the Yangtse Rapids Steamship Company for Tls. 15,000 for breach of employment contract entered into between the two parties. The defense brought a counter-claim for Tls. 12,000 for damages said to be resultant from plaintiff's wrongful acts, this claim also being denied.

Jolidan was employed by the steamship company as captain of a steamer, at Mex. $800 monthly. Since 1927 the steamship company had paid special bonuses to its captains of Mex. $500 for each round trip between Ichang and Chungking, Capt. Jolidan thereby receiving from $1,000 to $1,500 monthly in addition to his salary. About March 20, 1929, the Company gave notice that the bonus arrangement would be discontinued. On March 22 Jolidan and five other captains notified the Company's agent at Ichang that they would not navigate their vessels above that point unless the bonus were adhered to, and the following day received a reply that any captain so refusing a trip to Chungking would be dismissed. The captains at once replied that owing to the cancellation of the bonus agreement, with no substitute arrangement, they refused to take their vessels above Ichang. The same day they were dismissed, and sent a letter to the agent saying they were discharged peremptorily and without cause, and demanded immediate payment of all wages earned, firstclass transportation to Shanghai, three months' wages beyond the date of their arrival in Shanghai, a potential bonus calculated on their past earnings, and the assignment of competent American captains to take their places.

Upon the assignment of a Czecho-Slovak captain to take over Jolidan's vessel (the *I-Ling*), the latter refused to turn over the ship unless his financial demands were met and the crews paid off, the other captains agreeing to this.

Accordingly, the Company's agent was instructed by Shanghai to make such arrangements as he thought best, and entered into an agreement dictated by the captains, following which Capt. Jolidan sailed for Shanghai, then returned to Ichang, then made another trip to Shanghai, arriving here May 6, when he was dismissed, being paid his salary ($800 per month) for March and April, and a bonus of $500 for one voyage made the latter part of March.

Judge Purdy stated that the contract upon which the basis was founded was extorted from the Company. As made upon March 25, it gave Capt. Jolidan Tls.1,200 per month, about twice his previous salary; the right to arbitration in case of dismissal; the right to refuse mates or apprentices which he considered detrimental to his command; the right to three months' notice (on either side), after nine months had elapsed. These new conditions, not provided for in the previous verbal agreement, were granted by the company under duress, the distance between Ichang and Shanghai preventing them from taking prompt action to recover its property in the hands of the captains, the holding up of which caused a loss to the Company of about Tls.1,000 daily. The new agreement was rescinded by the Company when the duress was removed, and was not binding.

The Court, while denying the counter-claim for Tls.12,000, otherwise gave full judgement for the plaintiff, with costs.

Graf Zeppelin Flies Over Pacific and Across Continent

The Graf Zeppelin took off from Kasumigaura, Japan, on August 23 at 3.14 p.m. on another leg of its epoch-making trip around the world. A minor accident to the gondola containing the rear motor delayed the great dirigible a few hours for repairs.

The Graf started off in a northeasterly direction, later altering the course to due east, flying over the northern Pacific and coming within a few hundred miles of Kamchatka. Two days the great airship flew over the Pacific, late on the afternoon of August 25 sailing over San Francisco, with an escort of fifty airplanes, thence heading down the coast towards Los Angeles, which she reached a little after midnight, hovering over the city until dawn before landing, coming down at 5.11 a. m.

After spending the day at Los Angeles, the Graf rose again at fourteen minutes after midnight on August 27 for her flight across the American continent. She first took a southerly course, then turned east to cross the Rockies at a height of 8,000 feet, flying over Arizona, New Mexico, and Texas, then turning towards the north to reach her goal at Lakehurst, N.J., where she was due to arrive after midnight on the morning of August 29. This completes a trip around the world for the Graf, which left Lakehurst for Germany on the night of August 7, but spent four and a half days at Friedrichshaven whence the "round-the-world tour" officially started. The trip has therefore taken about twenty-one days from Lakehurst to Lakehurst, from which may be deducted about four days' stop at Friedrichshaven.

Battle of Words Continues As Tension Lessens in Sino-Soviet Tangle

Though there have been the usual lurid reports from the Sino-Russian border, there have been no large-scale conflicts between Russian and Chinese forces during the past week. General Blucher (Galens) has arrived at Harborovsk and taken over charge of the Russian Far Eastern Army, and there is a report that the Russian forces intend to take the coal mines at Jalainor and Muling, thus cutting off the fuel supply for the Chinese Eastern Railway, though this is only a rumor, like most other reports "from the front.' '

There has been further exchange of notes between the Chinese and Russian Governments, both making charges of aggressive and provocatory actions against the other, and giving little indication of any progress in the situation though "semi-official" statements from Nanking August 28 stated that the Chinese Minister to Germany had had several conversations with the Soviet Ambassador at Berlin, and the semi-official belief was expressed that the present dispute will be amicably settled.

There have been official statements attributed to representatives of the Nanking Government, and to Chang Hsueh-liang, which appear to imply that the Chinese Government would welcome mediation of the matter. On the other hand, such implications must be made with caution, as it is specifically stipulated in the 1924 Agreements that "The Governments of the two Contracting Parties mutually agree that the future of the Chinese Eastern Railway shall be determined by the Republic of China and the Union of Soviet Socialist Republics, to the exclusion of any third party or parties."

With regard to the Kellogg Pact, it is to be noted that in this instance it is distinctly in China's favor. China's seizure of the railway was technically not an act of war, but it remains to be seen if Russia can regain her former rights on the line without some act of war. A dispatch from Washington dated August 19 quoted Minister Wu as stating, with regard to his visit to the State Department, that he made no charges of violation of the Kellogg treaty, but discussed the recent alleged Soviet violations of Chinese sovereignty by raids across the border into Manchuria.

Hinting at Mediation

Chang Hsueh-liang, head of the Mukden Government, whose reports to Nanking include many conflicts mentioned in no other reports, stated in a telegram to the State Council at Nanking on August 19 that the reported raids by Soviet troops in the districts on the Chinese side of the border constitute a part of Russia's plot to test world opinion on the Sino-Soviet situation, and that if no unfavorable reactions are manifested by the Powers, the Soviet Army will probably launch a general attack on the Chinese forces. The implication contained here is obvious.

The Nanking Government, while tending to minimize the "war reports" from Mukden, sent a note to Washington which according to *United Press* "indicates unmistakably that Nanking intends to suggest mediation of the Manchurian dispute with Soviet Russia by outside nations," declaring that China will "strictly abide by Article 2" of the Hague peace treaty (adopted in 1899), providing that before an appeal to arms the signatory Powers will have recourse "to the good offices for mediation by one or more friendly Powers." The message implied that "Nanking was bidding for a mediation offer by the United States or other Powers, but the hint was lost on Colonel Stimson," which "may have been due..... to his earlier expressed view that a restoration.... of the status quo on the C.E.R. would be a logical step toward any mediation move, on a basis of ordinary international practice in such instances."

Dr. Wu stated that the note was designed to impress upon all nations the idea that China adhered to her treaties and respected foreign investments. He reiterated that the C.E.R. had not been "seized," but only some disloyal employees dismissed.

A report from Washington dated August 25 stated that although Minister Wu's note had "subtly suggested" that the good offices of neutral friendly Powers would be acceptable to China in the present dispute, Secretary of State Stimson declared that action was not required. It was understood that other Powers were not acting because of Russia's denunciation of the intended mediation, in view of which "any such move on the part of the United States or other Powers would be no more than an empty gesture."

On August 22 Dr. Wu started for Europe, where, he said, he intends to explain the Chinese case against Russia to the British Secretary for Foreign Affairs.

The *Kuo Min* agency reported on August 24 that they understood "that a lengthy report on the present Sino-Soviet situation and the constant invasion of Chinese territory by Soviet troops in Manchuria has been sent to Dr. Wu" by the Nanking Government, this to be submitted to the League of Nations Assembly. Nothing of this text has been published here, nor the text of the Note to Washington.

Discussions Through German Government

Last week Gen. Chiang Tso-ping, Chinese Minister to Germany, was instructed by Nanking to ascertain through the German Government whether or not recent military operations on the part of Soviet troops on the Siberian frontier were in accordance with instructions from the Soviet Government. August 18 he wired stating that he had arranged for these questions to be put.

At the same time, the Russian Commissarist for Foreign Affairs issued to the Germany Embassy (August 19), for transmission to the Nanking and Mukden Governments, a statement declaring that Russian "White Guard detachments" had been repeatedly raiding Soviet territory, enumerating many cases of this, stating that the Red Army had crossed the border only when there were raids by "White Guards and Chinese detachments," and concluding that "the Chinese authorities must disarm the White Guard detachments and prevent all possible raids on Soviet territory by Chinese forces. Otherwise, the guilt of further complications caused by new raids will be entirely on the Nanking and Mukden Governments."

In reply to Gen. Chiang Tso-ping's note, Nanking announced on August 27, according to *Reuter*, the receipt of a cable from the Minister regarding his Note to the Soviet demanding an explanation of hostile actions on the part of Soviet troops on the Manchurian border, in reply to which Moscow had stated that it would be willing to restrict the activity of its forces on condition that China would disarm all "White Russian" troops in Chinese territory and stop them from invading Soviet territory, further stating that it will hold the Chinese Government responsible for any outbreak of war if China refuses to consider its demands.

Ta Chung reported, however, presumably in reference to the same message, that Chiang Tso-ping had stated that Karakhan had said that if the National Government would be agreeable to the appointment of a new Soviet manager for the C.E.R. the Soviet authorities would be willing to enter into formal negotiations with Nanking.

Military Movements

Chang Hsueh-liang about August 21 mobilized the entire reserve units of the Northeastern army, totalling about 120,000 men. Continual troop movements towards the frontiers are reported.

The Soviet forces in the Far East are reported as between 30,000 and 40,000 strong. General Blucher (Galens) is reported to have arrived to take charge of this Far Eastern Army on August 24.

The most serious report of an encounter during the week was of one at Manchuli on the night of August 22, where a machine-gun battle was reported, lasting all night. The Chinese claim to rave captured, in their "pursuit of the invaders" next morning, an armored train, seventy-odd machine guns, and 130 horses, while losing three officers and 41 soldiers killed and a lesser number wounded.

Reports received in Russia of attacks by White Russians, supported by Chinese troops, across the border, aroused intense feeling these last week, according to *United Press* dispatches from Moscow. Attacks are mentioned near the mouth of the Sungari, near Blagoveshchensk, and at Kanki, where the Soviet troops are reported to have lost several killed and wounded in repelling the "White-Chinese attack." Several other casualties were reported, in various places.

Gen. Blucher (Galens) described the situation as "the

most serious crisis the Soviet Union has faced in many years."

It was reported on August 23 that a large shipment of military bombing planes had arrived from France, and a "dare-devil" squadron of Chinese organized to engage the Soviet military planes in the air near the border districts.

A report from Mukden dated August 26 stated that the authorities were confronted with the increasingly difficult problems of "suppressing Communist agitations.... and preventing the 'White' Russians from actively preparing for an encounter with the Reds." With regard to the latter, "a number of 'White' Russian organizations have.... been active.... plotting to undermine the Soviet authorities in Siberia. The local authorities are instituting special precautionary measures against the 'White' plotters."

Japanese Forces in Monchuria

A report from Mukden dated August 21 stated that Chinese troop trains were not being permitted to cross the Japanese station of Changchun, and that the Chinese authorities were having a track made to connect the C. E. R. with the Kirin-Changchun Railway here.

A spokesman of the Japanese Legation at Peking on August 22 denied that Chinese troop trains were being held up at Changchun, and stated that the Japanese Minister for Foreign Affairs had informed the Chinese Minister at Tokyo that Japan was maintaining strict neutrality, and that the S.M.R., until otherwise instructed, would carry Chinese troops, munitions, etc., as it carried other passengers and freight, upon payment of the prescribed rates.

The Japanese Consul-General at Mukden stated that "Chinese troops may be transported over the Japanese lines after application." He said further that "the Japanese garrison at Changchun has not been increased. The rumors to this effect originated from the building of new barracks, necessitated by the transfer of troops.

Gen. Sutton's Opinion

One opinion on the present situation widely circulated in Britain, America, and elsewhere is of interest because of the author, General Frank Sutton, having long been military adviser to Chang Tso-lin, and possessing the most intimate acquaintance with the Fengtien army, leaving China only a few years ago. General Sutton, who is now in London, declares that the potentialities of the present situation are grave and far-reaching, says it is up to the Powers to see that peace is restored, and suggests that the C.E.R. be put once more under the control of an international board working in conjunction with the Chinese Government, as in 1918-20. "Russia has administered it and its £2,000,000 revenues purely as a means of anti-British propaganda, and China is incapable of running it."

In a description of the Manchurian army, General Sutton says this "is easily the best equipped and most efficient in China, but it would be useless against Russia.. Assuming that Russia seriously pursue war she will undoubtedly win—unless Japan steps in.... Japan could stem any Russian advance with comparative ease, in spite of the fact that the Russian army today is extremely well organized and much more efficient than it was in Czarist days. It is well equipped, well armed, mobile, well clad, loyal, and enthusiastic. It is permeated by a super-police system of the OGPU, all of whose members are picked men and hundred per cent Communists. The Russian Air Force is large, well equipped, and efficient."

Gen. Sutton thinks that Russia's invasion of Manchuria will start from four distinct points, including an advance from Chita due east towards Harbin, an attack from Blagoveshchensk to Tsitsihar, an advance up the Sungari to Harbin, and one due west from Vladivostok to Harbin, whence the advance would be made due south south along the C.E.R., through Changchun, towards Mukden. "Once this city falls the game is up."

Another foreign viewpoint, by Erasmus Jennings, is given elsewhere in this issue.

Shanghai-Nanking Passenger Air Service Started

Passsenger air service between Shanghai and Nanking was inaugurated on August 26, when the Ministry of Communications' Detroit-Stinson monoplane, *Huyung No. 1*, left the Hungjao Aerodrome here at 7 a.m. The plane carried four passengers, besides the foreign pilot and Chinese mechanic.

The trip to Nanking took about two hours. The plane returned to Shanghai after a two hour stop at the capital.

Russian and Chinese Official Statements on C.E.R. Dispute

The following statements from official quarters, Chinese and Russian, are printed as a matter of record:

Russian Note to China

Moscow, Aug. 20— The Foreign Commissariat has issued to the German Embassy on the 19th instant the following statement for submission to the Nanking and Mukden Governments:

In its note of July 13th regarding the seizure of the C. E. R. by the Chinese authorities the Soviet Government had mentioned the fact of the mobilization and despatch of Manchurian forces and the concentration of whiteguard detachments at the U. S. S. R. border. The said note energetically and timely warned the Chinese Government against the further abuse of the Soviet Government's pacific character, saying "Reports have been simultaneously received about the concentation of Manchurian forces along the Soviet border ready for war. According to reports received here Russian whiteguard detachments which the Manchurian staff intends to use on the Soviet territory are placed together with the Manchurian forces on the Soviet border." The Chinese authorities unheeded this warning. The formation and arming of whiteguard detachments for raids and attacks on the border troops and the Soviet civil population continued with greater intensity, and immediately after the rupture of the U. S. S. R.-China relations the said detachments developed their activities shooting on and raiding Soviet territory. The Soviet border troops have for a long time refrained from taking countermeasures, and as result the raids and attacks on Soviet territory have gained in frequency causing many killed and wounded on the Soviet side.

The shootings on Soviet territory and raids by whiteguard and Chinese detachments herewith follow:

On July 18th and 19th armed Chinese crossed the Soviet border by the Belenhi river, reached five kilometers North of Turii Rog village and fired at the Soviet border guards in the vicinity of Iman. On July 24th armed Chinese fired at the Soviet Commercial ship 'Brianta' in the neighborbood of Zarubine village. The Soviet gunboat accompanying the ship did not retaliate. On July 24th at 2.20 a.m. the Soviet gunboat "Bednota" was fired at by Chinese machine-guns at the mouth of the Sungari river. On August 9th at 6 a.m. the Soviet border guards were attacked by Chinese detachments and one Soviet officer was killed on Soviet territory, 3 kilometers beyond the border sign "S" in the viciniyof the Slavianka village 45 kilometers North-West of Vladivostok. On August 10th at 3 a.m. the Soviet border detachment near Chernaevo village was fired at by a Chinese group and armed Russian whiteguards. After having being pursued the aggressors drove back to Chinese territory where they received support from the Chinese tropps. There were five killed and six wounded on the Soviet side. On August 12th, 3 a.m. in the neighborhood of Vosmi Balananov, 50 kilometers from Ekaterronikolsk. Ussurisk, a whiteguard detachment from China attacked the Soviet border troops and civilians. On August 12th, 4.30 a.m. a Soviet ironclad was attacked by gunfire from the Chinese territory, 45 kilometers west of the mouth of the Sungari river. The shooting back of the ironclad drove the white guards back to China. In the night of August 18th not Russian white guards but the regular Chinese 18th regiment of lightshooters situated at Sanchagow crossed the border near Poltavski village, 40 kilometers South-East of Pogranichnaya, and followed by a Russian whiteguard detachment surrounded the Soviet post situated 3 kilometers from the border in the direction of Nikolfk-Ussurisk, opening machine-gunfire. The red army forces drove the raiders back to China.

The various crossings of the border by the red army were the result of raids on Soviet territory by Russian whiteguards and Chinese detachments, especially the utilization of the whiteguard organizations, which have ulterior motives, by the Chinese authorities which creates the menace at the border and indicates the dangerous situation caused by the deeds of the Chinese authorities. Doing the utmost to prevent the crossing of the border by Soviet troops the Soviet Government holds that the Chinese authorities must disarm the whiteguard detachments and prevent all possible raids on Soviet territory by Chinese forces. Otherwise, the guilt of further complications caused by new raids will be entirely of the Nanking and Mukden Governments.—Tasc

Statement by Dr. Wang

Nanking, Aug. 27. In an interview the Minister for Foreign Affairs informed a Reuter representative that the National Government was firm in its determination to pursue the policy originally agreed to by the Central Political Council, namely, to adhere to the terms of the Sino-Russian Agreement of 1924 under which the Chinese Eastern Railway was to be

(*Continued on page 32*)

Nanking Government To Control All Railways, Says Sun Fo

A statement by Sun Fo, Minister of Railways, to press representatives August 22, set forth that as a result of his recent conferences with Marshal Chang Hsueh-liang at Mukden, all the railways throughout the country would come under the direct control of the National Government. Formerly the railways in Manchuria were run by a Committee of Communications which was not responsible to the Ministry of Railways at Nanking. The Peiping-Mukden line, which has heretofore been divided into two sections with Shanghaikwan as the dividing line, is to be united under one administration.

The Minister stated that some $60,000,000 was required for the reorganization of the country's railways. Heretofore it had been most difficult to start reorganization, as local military groups had been taking the funds from the railways, the Peiping-Hankow line paying the Second Group Army Corps $500,000 monthly and the Third Army Corps $350,000. the Peiping-Suiyuan line paying the last-mentioned corps $200,000 monthly, the southern section of the Peiping-Mukden line paying the Fourth Group Army Corps, and later Tang Sen-chi's troops, $300,000 monthly, the Lunghai Railway paying the Second Group Army Corps $400,000 monthly.

Changes are to be made starting this month, starting with the southern section of the Peiping-Mukden line and the Lunghai line. At the same time, two-thirds of the Boxer Indemnity Funds will be used for railway construction, the completion of the Canton-Hankow and the Lunghai lines. A harbor is also planned for Hulutao, near Shanghaikwan, which is to cost some $15,000,000 at least. The various railway bonds are also to be reorganized.

Mr. Sun said that China must also take over the administration of the Chinese Eastern Railway, in which Russia had heretofore the whole say, and the income from which had been used by Russia "to finance its Communist propaganda activities in China."

Ban on N. C. D. N. Effective Except in Japanese Zone

(Special Correspondence)

Harbin, August 16—The widespread effectiveness of the order of the National authorities at Nanking prohibiting the transportation of the *North-China Daily News* through the Chinese mail service, was observed here recently when the local Chinese post office burned a considerable number of the official British organ at Shanghai which had been sent to the subscribers in this city by means of the mail service operated by the Japanese in South Manchuria.

The proprietors of the *N. C. D. N.* had apparently made some private arrangement with the Japanese authorities for transporting their paper on Japanese ships to Dairen, from which point the copies have been distributed throughout the Japanese zone along the South Manchuria Railway as well as within the Japanese concessions at Mukden and Changchun, the northern end of the Japanese Government-owned railway. However, Japanese authority does not extend to Harbin, hence in order to reach this city, it was necessary to use the Chinese postal service. Although the papers were carefully comouflaged in special wrappers which gave no indication of the contents, the Chinese postal authorities at Harbin soon discovered the subterfuge and a bonfire within the post office compound was the result.

Subscribers for the Shanghai British organ residing in Manchuria outside of the Japanese zones, according to report here, have ceased attempting to obtain copies of the paper and have placed subscriptions for papers in Tientsin, chiefly the *North China Star*, the American paper, which was also banned sometime ago, but has since made peace with the Chinese authorities and is again enjoying mail privileges.

Shanghai Municipal Bonds

Bonds to the amount of $3,000,000 for the Special Municipality of Shanghai have been authorized by the Legislative Yuan and will be issued in October. The bonds, which will be redeemed within eight years beginning from 1930, will be issued in denominations of $500, $100, $10 and $5. They will bear interest of 8 per cent per annum, will be sold at a discount of 2 per cent and will be secured on the Municipal tax. The entire subscription to the bonds, according to the regulations governing their issue, will be devoted to the building of municipal roads, the establishment of a Municipal central administration and the liquidation of outstanding Municipal debts.

Where the Mounted Man Still Reigns Supreme

BY J. B. POWELL

WHILE the automobile has displaced the horse in most parts of the United States and in many other countries, the horse is still holding his own in North Manchuria and Mongolia, even though the "honk" of the motor-horn is also being heard in these regions which are popularly known as the world's last frontier. It is true that taxicabs are common in Harbin, a city of about a half-million population, which is the metropolis of North Manchuria, but despite the incursion of the American motor car, the horse-drawn "droshky" is still seen on the streets, hundreds of them, varying from the dilapidated hang-over of the czarist days, to the brand-new spick-and-span vehicle driven by liveried mafoos. All of them still use the old Russian "bow" or bent piece of timber which connects the shafts over the horse's neck. In some cases the bow is covered with copper or brass plating and gleams in the sunlight as the horses gallop down the cobble-stone streets.

Harbin also has a race-track where real European-bred horses are raced twice yearly, a quite different situation from most of the China ports where Mongolian ponies are used exclusively. The finest string of race horses in North Manchuria are owned by an American, M. Wulfsohn, a New York fur dealer who has resided in Harbin for many years. Mr. Wulfsohn's stable includes 28 "English" horses, that is, bred from horses which were brought out here by the Russians more than a quarter of a century ago. The blood has been kept pure and Mr. Wulfsohn states that he has developed a considerable business with Soviet Russia, another place where the horse is still holding his own, particularly in Siberia.

As one travels northward from Harbin across the open plains of North Manchuria and Mongolia it is not unusual to see herds of horses, or Mongolian ponies, practically wild, galloping across the prairie away from the passenger trains operated on the Chinese Eastern Railway. Most of these herds are owned by the Mongols, whose wealth is determined by the number of horses they own. The horse, or pony, is the beast of burden in this area and while the large foreign firms which import hides, furs and wool from Mongolia are beginning to use motor-trucks, most of the transport is still by two-wheeled carts or wagons, drawn by horses. This is also true in Harbin, Hailar, Tsitsihar and the other chief cities of this region where one never observes a Chinese coolie pulling a vehicle carrying freight as is the prevailing custom in the Yangtsze Valley and other parts of China and even in Japan. It is true that there are a few Chinese rickshas in Harbin, but they have a difficult time competing with the droshkies and cheap taxicabs.

When the trouble developed between China and Russia this summer a number of Chinese and Russians in Manchouli brought their horses to Harbin for safety. They didn't bring them by train, but rode them overland the entire distance, something like 500 miles. In most of these frontier towns, particularly in Manchouli, the old American frontier-town institution, the "hitch-rack" may still be observed and it is not unusual for travelers on the Trans-Siberian and Chinese Eastern Railways who stop over in Manchouli to observe Mongols gallop into town and toss their bridle-reins over the hitch-rack just as the American cow-boy did a half century ago in the American west.

Harbin, Manchuria
August 21, 1929

Chinese Admitted to Shanghai Air Force Club

A. Y. Nieh, Director-General of the Shanghai-Chengtu Air Line and Shen Teh-huan, Director of the Hungjao Aerodrome, were installed as honorary members of the Shanghai Air Force Club at a luncheon held in their honour last week at the headquarters of the club in the Shanghai and Hongkong Bank Building on the Bund. The two aviators are the first Chinese to be admitted to the organization and W. E. Holland and Mr. Nieh, in addressing the gathering, expressed the hope that their admission would result in a better understanding between Chinese and foreign flyers and do much towards promoting the interests of aviation throughout China. On behalf of the Ministry of Communications of the National Government the new members presented the club with a Chinese aviation flag, consisting of the National flag with a soaring eagle encircled in yellow. The emblem was hung in the club rooms with the flags of other nations whose aviators have at any time been in Shanghai.

Soviet Interest in the C. E. R.—An International Menace

BY ERASMUS JENNINGS

(From the Daily Telegraph, London, July 20)

Present critical developments in the long struggle for control of the Chinese Eastern Railway were foreseen by Englishmen in Harbin more than two months ago. The writer was told, when he was there at the beginning of May, that matters were fast coming to a head.

The Chinese had long realized the impossibility of working the line under dual control, and had been offering to buy out Soviet interests. They wished to pay in Kerensky and Tsarist roubles, but the Russians would not accept them.

English and American residents in Harbin are quite convinced that the Soviet uses its unique position to further Communist propaganda. Harbin, and the railway generally, is a hotbed of Communism. The thousands of Soviet employees, who possess in Harbin one of the finest club buildings in the world, use it constantly for meetings and enthusiastic rallies.

Harbin is not only a nest of Bolshevism, but was, until the Chinese police took over municipal control, known as the wickedest city in the Far East. The overflow of its notorious cabarets have provided the dancing girls and "entertainers," who have now been forced to seek livelihood in the foreign treaty ports in Central and South China. When the Chinese took over four years ago, no one was safe in the streets after dark. The handful of English and Americans there carried revolvers whenever they had to go out at night. Robberies and murders were daily occurrences.

Soviet Spy System

The Chinese stamped this out entirely. The streets are now safe at night. But, despite the most efficient work, they have not been able to stop the "underground" propaganda. The situation prevents it. Soviet Russians are free, as employees of the railway, to come and go as they please, while they also have full access to the railway telegraphs and wireless. The Soviet has an elaborate spy system, with men and women posing as passengers travelling back and forth from Manchuli to Pogranichnaya and Changchun, with Harbin as the centre.

Intelligent opinion in Harbin saw the need for cleaning out this nest of propaganda and spying as being harmful to the fullest development of trade. It was agreed that while the Chinese might not operate the railway quite so efficiently as the Russians were admittedly doing, yet the position could be made tolerable only by evicting the Soviet and establishing a single control. The Soviet half of the management had instituted preferential rates for their own nationals, especially for petroleum products, thereby making it almost impossible for British and American oils to get on to the market.

The struggle for the railway has gone on ever since it was built nearly thirty years ago. It is the greatest danger spot in China. Its history is one of sordid intrigue, jealousy, and tragedy. English traders in the rich and undeveloped territory of Manchuria would welcome anything that would place the line once and for all upon a purely economic basis.

"Conquest By Railways"

Whatever the past claims of Russia and other investors, it is conceded generally that China has a moral right to ownership. The line arose out of secret conventions signed by Li Hung-chang and the Tsar's Ministers, Prince Lobanoff and Count Cassini, following the Sino-Japanese war of 1895. Japan had occupied the Liaotung Peninsula, but through Russian intrigue was forced by the "friendly advice" of Germany and France to give it up. Russia, who had desired the straight line from Manchuli to Vladivostok in order to shorten the Trans-Siberian route by about 400 miles, saw an opportunity of penetrating south to the Chinese seaports, and thereby establishing a strong political and economic position.

"Conquest by railways," the policy was called. The secret agreements gave a charter to a new bank to be formed, called the Russo-Asiatic Bank, which took charge of the work and organised the Chinese Eastern Railway Co. The bank was nominally a Russian bank, but four of its founders were big banking concerns in Paris. The bank's capital was 11,250,000 gold roubles (£1,125,000), to which was added 5,000,000 taels (about £666,000) as a permanent deposit by the Chinese Government. In return for this the Chinese granted to the bank a concession for railways in Manchuria. The C.E.R. Company's capital was 5,000,000 gold roubles (£500,000).

From this small sum, and other sums taken from the Imperial Russian Treasury, the company built about 1,600 miles of railways, from Manchuli to Pogranichnaya, and from Harbin, south to Dairen and Port Arthur. Russia had, in the meanwhile, consolidated her strategic position by obtaining a twenty-five-year lease of Liaotung Peninsular, after getting the Japanese out. It is said that in the secret agreement the period was 100 years, but only the smaller figure was published.

The Japanese in 1904 defeated Russia, succeeded to her lease of Liaotung, and, furthermore, gained the southern end of the line from Dairen to Changchun, about 200 miles south of Harbin, henceforth to be known as the South Manchuria Railway. Russia continued to hold the main portions until the revolution, after which the Soviet announced all treaties with foreign nations made by the Tsar to be void. However, they did not want to relinquish the C.E.R. and although the Sino-Russian Treaty of 1919 declared a surrender of rights, the translation was afterwards disputed, and the Soviet made another agreement in 1924 which recognized her rights.

The Japanese Factor

Since then there has been a dual control, with constant friction and ill-feeling between China and Russia, quite apart from the Communist intrigue. The Soviet, long realising the untenable situation, have recently been feeling out Japan with a view to "selling" her rights to the S.M.R. Japan has, of course, always had an acquisitive eye on the C.E.R., and, aided by the Tanaka Ministry, has even gone to the extent of blocking, or attempting to block, purely Chinese railways now in course of construction in South Manchuria.

The writer, who has just come from Manchuria, cannot agree with the theory put forward that the Manchurian leader, Chang Hsueh-liang, has been "egged on" by Southern Chinese (Nanking) to precipitate a struggle between his forces and the Soviet, so that the Manchurian armies would be crushed. The Chinese are not so short-sighted as this. The Nanking Government would, in such a predicament, be forced either to withdraw its claims or come to the aid of Chang. If not, the way would be open for Japan to step in to "protect her interests," and further muddle an already much muddled situation. The writer is convinced that the whole of China has long been determined upon this action, and that it is the direct outcome of recent negotiations at Peking.

The Japanese Emperor Visits Kobe

The Emperor of Japan visited Kobe, Japan, recently, which was the most important event in the country since the enthronement rites last November. It was the first imperial visit in that city in the last seven hundred years. To the Japanese it is not unusual to celebrate such an occasion with the utmost solemnity, because they consider the Emperor not as a man but as a god. All the prominent Japanese papers wrote about this.

There were notices given out requiring sixteen rules, all of which were observed strictly; such rules as Thou Shalt Not Be Under the Influence of Alcohol, or Under the Influence of Measles; Thou Shalt Not Look Down upon the Procession from a Tree, Roof, Upstairs, Car or Horseback, etc., or Peep Through a Window; Thou Shalt Not Smoke or Whisper; Thou Shalt Not Point Thy Finger at the Carriage, or Wave a Handkerchief, or Shade the Eyes with the Hand or Hat on the Forehead; When the Procession Approaches Thou Shalt Take Off Thy Hat, Except Ladies in American Dress, Who May Keep Their Hats On.

The Emperor rode alone in a closed red Rolls-Royce, and all the Japanese kneeled. Long after he had passed the crowd still sat unmoved, expressionless until the police gave directions. Then they moved away quietly and silently. *From the Review of Reviews for August.*

New Floods Reported in North China

While the waters are subsiding in some of the flooded areas in Chihli, in other districts there are new disasters. A message from Shantung reports a 1600-foot break in the dike of the Yellow River at Huangchang, as a result of which a strip of country fifty miles long and five to ten miles wide has been inundated, destroying the bean and grain crops. This is a district of recent famine, and there was great hope of the new crops, made possible by this summer's rains after a long drought, alleviating the distress.

Kuomintang and Peasantry

BY FANG FU-AN (房福安)

WHO is the peasant in China? Is he like the European serf centuries ago or the Russian peasant of the last century? And, how many of them are there in China now? He is, first of all, the landless farmer, the man who tills the land but who does not own it. Because he has to feed and clothe himself and his wife and children, he is forced to till the land. Because he does not have capital and can not have any land of his own, he is forced to rent a few mow of ground from the land-lord, who has land to spare, And because he has used this property of the land lord, he is obliged by law and custom to give up to the land-lord a portion of the harvest of his hard labor. He is, moreover, the manual farmer, the man who fights nature not with intelligence but with muscles. He has no capital to provide him with modern tools which man uses to conquer nature and natural forces. Instead of being the master of the land he is made the slave of it. He, is again, the subsistence farmer, the man who feeds and clothes his brothers and sisters but does not have enough to eat and wear himself. With his few mows of land, sometimes rented sometimes owned, with a few primitive tools, he is fighting hopelessly against the ruthless law of diminishing productivity which is universal in the economic world. And what is the result of his hard labor? A bare living during good years; starvation, sickness, and death in bad years. The following tables, indicate the standard of life of the Chinese peasant worker. Although dealing with conditions in only one specific locality, they may be taken as giving a very good general picture of conditions throughout China.

[1] Percentage of Expenditure by Items per Farm Family in China (899 families) and in Iowa, U.S.A. (472 families).

Item	China	U.S.A.
Food	55.1	37.3
Clothing	9.3	14.5
Rent	6.6	15.3
Operating Expenses (fuel, light,)	11.1	14.1
Furnishing	0.2	2.1
Health	0 6	5.1
Advancement, Amusement	10.6	6.5
Personal	5.8	1.6
Savings	0.	3.5
Unclassified	0.7	0.
	100.0	100.0

Value of Expenditure by Items per Family in China (899 families) and in Iowa, U.S.A. (473 families).

Item	China	U.S.A.
Food	Mex. $123.38	Mex. $1119.11
Clothing	20.80	436.55
Rent	15.0	461.0
Furnishing	0.55	63.0
Operating Expenses (Fuel, light)	25.00	424.0
Health	1.32	153.0
Advancement, Amusement	24.0	194.0
Personal	13.0	48.0
Savings	0	104.0
Unclassified	1.5	0.61
	Mex. $224.55	Mex. $3003.27

What is noticiable in the above tables is the very high percentage of his earnings which the Chinese agricultural worker has to spend on food and how little he has left for other necessities, an invariable indication of a low standard of living. As pointed out by Col. Malone. "It must be remembered that these are the people who provide the great market for which the nations of the world are competing; markets which, because of the extremely low standard of life prevailing in China to-day, can be said to be now only a mere fraction of what they may become in the future. For small as are the imports into China per head of the population, nearly half are consumed in the Treaty Ports: that is to say, almost nothing is bought by the peasants, who form the bulk of the Chinese, population."

Sub-classification Among Peasants

The number of peasants in China is variously estimated at from 320 to 400 million persons. Based upon the lower figure, an estimate of the most important economic and social subclassifications has been given by the agratian scholar, Mo Chek-tung, writing in the "Chinese Peasant" of January, 1925, (published by the Kuomintang Peasant Department in the revolutionary period, when it was headed by Liao Chung-kai, just before his assassination). His estimates are as follows:

"The land lord class, numbering something over two million persons, is the main reactionary force in the villages. It is led and orgarized principally by the big land lords, and by the village gentry and elders. The main body of the peasantry number about 320 millions. Of these the most conservative are the yeomanry (working farmers owning their own farms) about 120 millions strong. Of this group, not more than 10% or 12 million, have any economic surplus, and only this number can have hopes of becoming themselves land lords and therefore tend toward an active reactionnary role. About half, or 60 million, are just holding their own and making a living; these are usually timid, trying to avoid struggles, and help neither side much in the social struggles. The remaining 48 million of the yeomanry are farmers who are losing ground each year and rapidly going into bankruptcy. These latter, although unreliable, definitely tend to support the revolutiouary peasantry consisting of the semi-yeomanry, and the tenants, together with the village poor. These total more than 170 millions. They carry the main burden of village exploitation, rents, taxes, etc. Their place conditions are the most miserable of all who still have any whatever in the economic system. For them the revolution in the village (over-throwing the land lord power, reducing or abolishing rents, establishing their own armed forces, etc). is a necessity for their cintinued existence. It is from them that come the fighting forces of the China peasantry. Then there are the lum pen proletarians of the village. These are the people who have been squeezed entirely off the land, who are unable to migrate to the cities, and who starve and rot in idleness and crime. They furnish the base and reserve for recruitment of soldiers, bandits, theives, beggars and prostitutes, and generally hirelings for the reaction on the one hand, and thus serve as an instrument of reaction, while on the other hand a portion of them become active fighting allies of the revolutionary peasantry. They number about 20 millions." [2]

From the census of 1917 of the Ministry of Agriculture, Industry and Commerce we have another set of figures. Taking the size of holdings as a means of measurement, we have 17,805,000 farmers who had less than ten mou in 1917. This was about 36% of all the farmers operating farms of some size. The group holding from ten to thirty mou numbered 13,348,000 farmers or 26.8% of the total group. If we take the position of land, renting as a criterion, we find 24,587,000 owner-farmers amounting to 50.2%; 13,825,500 tenants, or 28.3%; and 10,494,722 partial owners who rented some land, totalling 21.5%. Since the general policy of the Nationalist Party, Kuomintang, is to organize all classes for the salvation of the nation and for the emancipation of all the peasant class, being the largest class (80%) among our brothers, it is naturally looked upon by the Party as the foundation stone of the revolutionary movement. Now, let us see the work done by the Kuomintang toward peasants and the relation between them.

Work of the Kuomintang

In discussing anything about Kuomintang, one has to begin with Dr. Sun Yat-sen, the founder of the Party and father of the Republic. In connection with this Dr. Sun said:

"Our Party in its position in China and in its opportunities of the time, what method should we adopt to solve the problem of the people's livelihood? This method is not a metaphysical theory and is not empty knowledge, but it is facts.. So in solving the social problem we must use facts as the basis and not merely theories. What then is the fact in China? It is the poverty from which everyone is suffering. In China everyone is poor. There is no special class of great wealth, there is only general poverty. What is called inequality is but the difference between the very poor and the less poor. The method we advocate to solve the problem of the people's livelihood does not begin by proposing a radical method that does not suit the present time, and waiting for its adoptation after the development of industries. What we want is a preventive method, to prevent great wealth from going into private hands and to guard against the great defect of inequality between the wealthy and the poor in the future."

Following this standpoint Dr. Sun put forth two concrete proposals as the guiding principles in dealing with the economic questions of China. The one is the equalization of right in land and the other is the control of capital. As we know over 80% of our population are farmers. Any party that aims at the reconstruction of China should take the great majority of people as a substantial basis to begin with. So, in China, if the agricultural problem is solved, then the problem of livelihood of the vast majority of the Chinese people is solved. So Dr. Sun thinks that it is the duty of a Government to furnish land to these farmers, who are the real backbone of China's economic life. The views of Dr. Sun on the conditions of Chinese labour and peasantry are very clear. He said:

[1] Prof, Buck Nanking University

[2] China Tomorrow, June 20, 1919, p. 131.

"This revolutionary government of ours is one which aims to make the people of the country its masters. Now, the peasantry forms the greatest majority of the population of China. If the Chinese peasants do not come to participate in the Revolution, then we have no basis for it. In the reorganization of the Kuomintang we have added the peasant movement to our programme because we want the peasants to be the foundation of our Revolution... If this foundation is not strengthened, then the Revolution will fail."

In another place, Dr. Sun said:

"The present Government is willing to do all it can to help the farmers to organize themselves into a strong and solid body. It is up to the farmers to utilize the Government to reach this aim. Then, they will be able to recover their position in society and look after their own interest... "As you know the students have their associations, the merchants, their chambers, the workers their union, you are the only people who are not organized..... Now, make haste to organize yourselves and select the strong men of every family to build up your own army..... The Government may be able to supply you with arms at a cheap price ....."

The Peasant Movement in Kwangtung

It is common knowledge that Kwangtung is the radiating centre of all kinds of revolutionary movements. Peasants are no exception. The movement was started in the Tungkiang district; in the year 1922 in Haifeng under the leadership of Mr. Peng Pai. Following this, many unions were organized in Hueiyang, Hueilai and Tzeechin. In May, 1922 delegates from all these unions met in Haifeng and passed resolutions to form the Provincial Farmer's Association. Similar movements were conducted in various parts of Kwangtung during 1922-24 for the main purpose of protesting against the heavy taxes collected for support of militia organzed by merchants and landlords. It was until 1924 in the reorganization conference of the Kuomintang the peasants were formally recognized by the Nationalist Government. We know, in tracing the history of Kuomintang, at its very beginning, it was confined to students and over-see merchants. It was not until 1924, for the purpose of strengthening and broadening the foundation of the Revolution that labourers and peasants were enlisted and became a vital part of the Party. For this, in the reorganization conference of 1924, the manifesto concerning labourers and peasants read as follows:

"In China to-day, from north to south, from the commercial ports to the villages and the inaccessible hamlets. poor peasants and over-worked labourers are to be found everywhere. The positions which these two classes occupy, and the sufferings which they experience, are in general so similar, and their inspirations for liberation are so pressing, that in both of them are found the powerful will to revolt against imperialism. Therefore, it goes without saying that success of the Naionalist Revolution must depend upon the participation of the peasants and labourers of the whole country. The position of the Kuomintang is, on the one hand to help the development without hindrance, so that the effective power of the Nationalist Revolution may be increased; and on the other, to make unremitting efforts to secure the participation of the peasants and the labourers in the Kuomintang, so as to speed up the advance of the Nationalist Revolutionary Movement. For the Kuomintang is now engaged in the struggle against imperialism and militarism—that is against the special class opposed to the interests of the peasants and of the labourers, and to secure their emancipation. In short, it is a struggle for the peasants and the labourers, and it is one in which the peasants and the labourers struggle for themselves."

The resolutions passed in the reorganization conference which affect the interests of the peasant include the following:

(1) The Nationalist Government is to make laws for the utilization and the taxation of land as also the taxation of the increased value of land.

(2) The Government is to take steps to investigate the conditions of the land now under cultivation. The general principle that will guide the Government in its land policy is to equalize the production and the consumption of the agricultural products so that the whole population will have sufficiency of food.

(3) The Government is also to take measures for the improvement of agriculture and to improve the standard of living of the farmers.

(4) And lastly, rural, organization is also to be improved.*

In the fourth session of the executive committee it was resolved that a department for work among farers should be established with a departmental head, a recording secretary and a business secretary as its staff. In February 1924 at the seventh of the central executive the power and office of the said department were discussed and appointed. At the 15th session held on the the 19th of March in the same year it was decided that the following organizations of farmers were to be inaugurated: (1) Agriculture Association (2) Union for tenants; (3) Union for Farming Employees; (4) The Farmer's Society for Self-Protection. On the 15th of May in the same year at its 26th session the central executive voted to organize a central committee for the farmer's movement to cooperate with the Department for farmers. The departmental officers, together with Messrs. Liao Chung-kai, Tai Chi-tao and T'an Pong-shan were to be the committee members. On the 30th of June 1924, in the 30th session of the central executive seven resolutions were passed and in July 1924, the constitution of the union was published. [1] Several experiments have been conducted in the vicinity of Canton. A training school offering a short course of one to three months was organized for the training of suitable leaders of the movement. On August 21, 1924 Dr. Sun Yat-Sen in an address delivered to the students of this school said:

The Example of Russia

"We must follow the good example of Russia to enable farmers to possess their own land. Thus the revolution can be called radical and useful. Otherwise the farmers without land pay rentals to the owners and also revenues to the Government—Under such circumstances it is unreasonable for the Government to increase the land tax.....our aim is to give land to the working farmers." [2]

Under the leadership of Mr. Liao and Dr. Sun with the advice of Vointlinsky and Volin, and the support, direction and supervion of the Kuomintang the Chinese peasant movement has grown very rapidly since that time. Up to labor day (May 1) of 1925 peasant unions have been organized in twenty-one counties of Kwangtung with a total of 200,000 members. In 1926, there were peasants' unions in 66 counties of Kwangtung with a total membership of 626,547. Peasant movements in other provinces have started also since this peasants time. In the fall of 1925, there were over one million in peasant unions all through China, which were distributed as follows:

Kwangtung	665,441
Honan	270,000
Hunan	138,150

In the preamble to the resolution on the peasant question, the Second National Congress of the Kuomintang 1926 a still clearer manner was declared. It reads as follows:

"China is still to-day in the age of agricultural economy. Agricultural products form more than 90 percent of the total national production and peasants form more than 80 percent of the total population. Therefore the Chinese Nationalist Revolution is specially an agrarian Revolution. In order to strengthen the foundation of the Revolution the Kuomintang must first of all seek the participation of the peasants. In all movements, whether political or economical the peasants ought to form the basis. The policy of the Party must in the first instance pay attention to the interests of the peasants. The action of the Government must be directed to the liberation of the peasantry based on their interests, because if the peasantry is emancipated it means the accomplishment of the greater part of the Nationalist Revolution and it is the basis for the realization of the Three Principles of the Party"

We can see that in the two years, 1924-1926, the Left Wing of the Kuomintang gained great influence in the Party and the situation of the peasantry was very clearly and emphatically declared. In the Second National Congress of the Kuomintang the following resolutions were passed concerning peasants:

(1) Political

(a) The peasants must be guided and organized so that they may participate in the Revolution.

(b) A certain class of people who obstruct the interest of the peasants must be punished, namely, the militarists the compradore class, the corrupt bureaucracy, and the bad gentry.

(c) The armed organizations that oppress the peasants must be dissolved.

(d) The principle that the peasants may have the power of self-protection must be established.

(e) The monopoly of the gentry in the local government must be broken down and the peasants helped to organize themselves for self-government.

(f) The Kuomintang should for all time struggle on the

*T. C. Woo: The Kuominatang and the Future of the Chinese Revolution, 1928 p. 192.

[1] The Farmers' Movement in Kwangtung, by T.C. Chang 1928, p. 4.

[2] The Farmers' Movement in Kwangtung, by T.C. Chang 1928, p.7.

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standpoint of the interest of the peasants.

(g) Laws for the protection of the peasants should be made.

(2) Economical

(a) Exorbitant rates of interest on rural loans shall be strictly prohibited.

(b) The maximum limit of rent to be paid to the land lords as well as the minimum price of grain shall be established by law.

(c) The working hours of the farm labourers shall be decreased and their wages increased.

(d) All miscellaneous, vexatious taxes, all extra taxes, taxes in advance, and taxes on land that does not exist shall be abolished.

(e) The rural banks should be established as soon as possible and the peasant cooperative system in its productive aspect as well as for consumption should be promoted.

(f) To make investigation of the actual conditions of the land under cultivation and to improve agricultural and irrigation methods in general.

(g) The public waste land shall be distributed among the poor peasants who have no land.

(h) The employment conditions of the young farm labourers shall be improved.

(i) The profiteering of the merchants at the expense of the peasants shall be prohibited.

(j) The agencies of mutual help among the farmers should be encouraged.

(3) Educational

(a) There should be established for the peasants as soon as possible the system of compulsory education and a system of supplementary education for the old peasants.

(b) For the above purpose the receipts of the localities may be utilized as far as possible.

(c) To carry out propaganda among the farmers with a view to help them to develop the rural schools by themselves.

The "Reorganization" Committee

So far, the peasants' unions and the peasant movement was directed and controlled by the Left Wing of the Kuomintang and their communists advisers. After the split of the Hankow and Nanking Government and the outlawry of communists in March of 1927 there was propaganda against Chinag Kai-shek and supporting the Wuhan Government. The farmers' corps of Kwangtung decided to get together and patrol on the 16th of April in the street of Canton to make known their opposition to the foreign action in bombarding the city of Nanking. On the 10th of April, the movement for the purification of the Kuomintang was started and in Fangtsun, Kwangsan and Shihweitang the farmers' corps gathered to oppose the fifth division of the army. There was a whole day's fighting, and it was with great difficulty that they were forced to surrender and be disarmed. The Nanking Government feared that the farmers' movement might be misled and consequently on the 17th of April a Reorganization Committee was appointed. There were seventeen rules decided by the Reorganization Committee of the Farmers' union of the Kwangtung Province. The important ones are: (1) The rules are formulated by the Reorganization Committee appointed by the Government to reorganize the farmers' unions which were formerly in the hands of the communists, and to direct their affairs on a better basis under the control of Kuomintang. (2) After the farmers have understood the idea of reorganization, they should re-register themselves with the Reorganization Committee, who will be responsible for handling the affairs of the union according to Governmental regulations. (3) After registration of the members of the union, the Reorganization Committee should call a meeting of all the members to elect a village executive committee to be directed by the county Reorganization Committee. (4) The village, district, and county unions, after reorganization should present their reports to the office in charge that the matter may be duly referred to the provisional farmers' union for approval and registration. Moreover, a certificate is to be issued to each union. (5) If any union does not want to follow the reorganization and is willing to be directed by the reactionary party, the government will send troops to suppress it and severely punish the leaders. (The complete text can be found in "The Farmers' Movement in Kwangtung", 1928 by T. C. Chang, p. 36) Ever since this reorganization the peasants movement in China has come to a standstill. In the Third National Congress of the Kuomintang held in the spring of 1929, nothing has been said about the organization of the peasants.

In the North, the peasants went back to their old forms of organizations. It was reported in 1928 that there were the following peasants' associations in North China:*

(1) Ke Lou Association——appears in Shansi
(2) Tien Huang (emperor) Association—appears in Hopei
(3) Green Spear Association
(4) Black Spear Association — Appear in Shantung
(5) Yellow Spear Association — and Honan
(6) White Spear Associaton
(7) Tien Men (gate of heaven) Association—appears in Hopei
(8) Chang Fa (long hair) Association
(9) Chiu Hsian (nine fairies) Association—appears in Honan
(10) Ta Tao (big sword) Association
(11) Ching Tao Association
(12) Huang Sha (yellow sand) Association
(13) Mao Lan (basket) Association
(14) Nieh Tzu Association
(15) Yueh Ming (bright moon) Association
(16) Ma I (funeral dress) Association
(17) Pei Tou (white head) Association—appears in the southern part of Hopei

Though the branches are under different titles their origin is the Red Spear Association and with the exception of Tien Men Association, cooperation among the group exists. In these associations, there were estimated in the end of 1928, 700,000 people. They may be distributed as follows:*

Honan	598,000
Hopei	105,000
Shantung	20,000
Shansi	7,000
Total	730,000

For better or worse, the farmers will organize themselves in some way for self protection under the present miserable condition under which they are suffering. It is a pressing need for the Government to take definite measures as to the distribution of land and other undertakings that will promote the livelihood of the majority of the people since they are the bulk of the Chinese population.

*China Tomorrow, May 1, 1929, P. 112.

Britisher Fined For Assault; Complainant's "Mulish Conduct"

C. W. Miller was brought up in the British Police Court for trial last week, charged with an assault upon one C. O. Danenberg, manager of the Sanzetti Studio, of which Mr. Miller is part owner. The dispute arose over certain accounts, and the defendant struck Danenberg in the face with a heavy inkstand, cutting his nose badly and inflicting other cuts on his face.

On August 21 the Court sentenced Mr. Miller to $100 fine, or two months' imprisonment in lieu of the fine. In the judgment the Court commented upon the savage nature of the attack, but expressed his conviction that "the complainant's mulish obstinacy no doubt accounts to a great extent for his injuries, which I believe he could have avoided if he had used a little more tact."

Another British Policeman Acquitted on Assault Charge

A police inspector connected with the Shanghai Municipal Police, MacDermott, was charged in the Britsh Police Court last week with assault, the complainants being Chinese arrested in connection with the "Wheel" case recently, they having been employed in this roulette house. MacDermott is said to have questioned them about the ownership of the place while they were being held in prison, and struck them in the face and body when he failed to get the information he wanted. Two witnesses testfied to the assault upon Yang Nee-ching, the first complainant. MacDermott, however, denied it.

The case was dismissed, the Court stating that there was nothing to show that the defendant had done anything "inconsistent with his duties as a reliable and efficient police officer."

Bonds Being Issued for Military Disbandment

Nanking, Aug. 21

A set of regulations governing the issue of Treasury bonds to the amount of $70,000,000 to be known as the Disbandment Treasury Bonds of the 18th Year of the Republic of China (1929) was passed at yesterday's meeting of the Legislative Yuan. The bonds will be issued in three denominations of $10, $100, and $1,000 and will bear interest at 7 per mille per month beginning from next month. In order to encourage subscription to the bonds, however, a discount of 2 per cent, will be granted to subscribers.

Payment of both principal and interest will be completed by the end of the year 1937, in 100 instalments. Funds for the amortization of the principal and payment of interest will be remitted monthly by the Inspectorate-General of Customs to the Committee in custody of the sinking funds.

Some of the regulations are as follow:

Art. 3. These Treasury bonds shall be for the purpose of meeting military reorganization and disbandment expenses determined upon at the National Military Reorganization and Disbandment Enforcement Conference and also for the purpose of meeting deficiencies in military expenses incurred during the period of enforcement of the national military reorganization and disbandment programme.

Customs as Security

Art. 7. The amortization of principal and payment of interest of these Treasury bonds shall be distributed and spread over 100 months; beginning from the 9th month of the 18th year of the Republic of China (September, 1929) one-hundredth part of the principal shall be redeemed monthly.

Art. 8. The amortization fund of these Treasury bonds shall be appropriated from the increased Customs revenue and placed in the custody of a Sinking Fund Committee designated on behalf of the Ministry of finance; the appropriation shall be remitted by the Inspector-General of Customs on the 25th day of each month through the Central Bank of China to the custody of the said Committee meeting the regular payments.

Art. 12. These Treasury bonds may be mortgaged, bought or sold; they may be used as security for the reserve funds of banks. Whenever necessary, they may also be used as security in connection with other pubic transactions.—Kuo Min.

Phonograph Maker Sentenced for Violation of Trade Mark Law

A sentence of 18 months imprisonment and a fine of $3,000 has been passed upon Sung Hai-ling, Shanghai manufacturer of phonographs for violation of the new trademark law in the Criminal Code of China. Judge Hsiung and Deputy Zuber, who heard the case in the Provisional Court, also ordered the seizure of all phonographs bearing the trade mark of "Sonata" in Sung's factory. The complainant was O. Schoch, a Swiss citizen operating a phonograph business at 74 Szechuen Road, who had registered the standard European trade mark "Sonata" with the Nanking Trademark Bureau, and recently discovered that Sung was manufacturing an inferior grade of phonographs under that name. It was claimed by the counsel for the complainant that the machines produced at Sung's factory had caused the genuine "Sonata" to lose much of its reputation as a high grade instrument and a civil claim for $5,000 was filed and ordered by Judge Hsiung be to taken before the civil court. Sung is the first person to be given a jail sentence under the new trademark law. He gave notice of his intention to appeal the case, and in accordance with his request, was released on $5,000 bail.

"Except the Evening Post"

In an editorial which appeared in last week's issue of the *Review*, entitled "These Nameless Foreign Ladies", we neglected to mention that the *Evening Post* is an exception to the rule which seems to bind the rest of the Shanghai press in close harmony upon their policy of anonymously referring to certain foreign ladies whose activities brings them over the horizon of unfavorable publicity.

While we distinctly referred to the offenders as the "British Press", there may have been an implication under which it might be understood the *Evening Post* was included. The editors of that paper have pointed out that they carried the full name and details in connection with this story, and that they always have observed the strictest journalistic ethics in this respect. So far as we can determine, they are quite correct and we regret having worded our editorial in such a manner that any of the odium, so well-earned by other Shanghai papers, might have fallen on the American-owned Shanghai *Evening Post*. The woman whose name was suppressed in other Shanghai papers, was Mrs. G. M. Neal, 1222 Rue Lafayette. She is the wife of Mr. G. M. Neal, of Anderson Meyer & Company.

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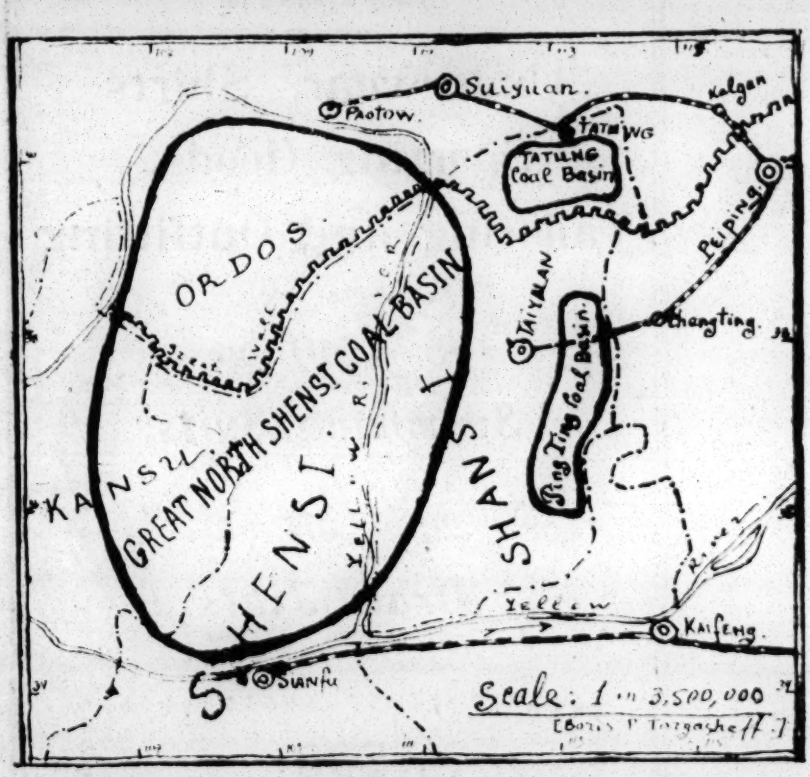
The Shensi Treasure—Coal

(North Shensi Coal Basin)

BY BORIS P. TORGASHEFF

IN China, coal-fields are scattered throughout the country, occuring nearly in every province, but it seems over nine-tenths of China's probable coal reserve is represented by the great *North Shensi Coal Basin*, which has been recently credited to possess up to 2,100,000 *million tons* of coal.

Of what great world importance this China's coal treasure is, may be seen from the fact that on the 1st January, 1927 the aggregated world's reserves of coal, proved and probable to 2000 ft. below sea level, were estimated at 5,492,085 million metric tons ("Internationale Bergwirtschaft", February, 1927).



Sketch Map of the "Great North Shensi Coal Basin", which comprises the northern part of Shensi as its center. It extends west and east into Kansu and Shansi respectively, and covers almost the entire territory of Ordos in Mongolia. Its total reserves have been estimated at 2,100,000 million tons.

Until comparatively recently, in 1925, when the exploration results of the "North Shensi Basin" were not yet published, the Geological Survey of China ("General Statement on the Mining Industry" by C. Y. Hsieh. Special Report of the Geological Survey of China No. 2, 1926) set down the total coal reserves of China only at 217,626 million metric tons.

Now, we are confronted with the recent publication of the exploration results, compiled by two trustworthy American geologists, Messrs. M. L. Fuller and F. G. Clapp. On the great "North Shensi Basin", which has been credited by them to possess 2,100,000 million tons of coal, of which 453,000 million tons is considered as recoverable.

These latter figures, as based on the large work done by these two American explorers in the field, authoritative as they are, *entirely bouleverse* all the preceding modest estimates of China's coal wealth, and if eventually the Fuller and Clapp's estimate proves to be true, it will put China next in rank, in coal wealth, to the United States.

If we take for the rest of China, as the most reliable, the recent estimate ("General Statement" by C. Y. Hsieh, 1926) made by the Geological Survey of China, and substitute for the region of "North Shensi Basin" its figures for those of Messrs. Fuller and Clapp, we arrive at 2,183,430 million tons as the figure of the total coal reserves of China.

For the purpose of an easy orientation of the actual place of China's coal reserves as compared with the world total coal reserves, the following table may be very representative (all the figures, except China, are borrowed by us from the "Internationale Berwirtschaft", 1927):

The World's Reserves of Coal.

(Reserves proved and probable)

Country.	In millions of metric tons.
United States	2,735,527
China	2,183,430
England and dominions	1,138,206
Germany	180,805
Russia (U.S.S.R.)	166,493
Poland	148,075

Of the rest of countries in the world none possesses reserves over 30,000 million tons.

However, the full significance of China's great "North Shensi Basin" comes into light if we note that of the total world's proved and probable coal reserves, only 470,407 million metric tons are considered by the "Internationale Bergwirtschaft" as proved, while, according to Messrs. Fuller and Clapp, the great "North Shensi Basin" alone offers to the world not less than 453,000 million additional tons of recoverable coal.

The North Shensi Basin

The so called *North Shensi Basin* extends from western Shansi across the province of Shensi into Kansu and Ordos of Mongolia, covering vast areas in both regions. It is almost continuous, the largest and seemingly most valuable coal field in China. Owing to its outstanding magnitude, the Fuller and Clapp's figures of reserves deserve to be cited here in their details (Fuller, M. L. and Clapp, F. G. "Coals of Shensi and Kansu, China, 1927. Also "Revision of Coal Estimates for West Shansi, China", 1927, in "Economic Geology" Vol. 21 and p2.)

Provinces.	Recoverable.	Non-recoverable.	Total.
	In million tons.		
Shansi (Permo-Carboniferous)	210,000	—	210,000
Shensi:			
a). Permo-Carbon.	104,000	560,000	664,000
b). Jurassic	53,000	64,000	117,000
Total for Shensi	157,000	624,000	781,000
Kansu:			
a). Permo-Carbon.	15,000	280,000	295,000
b). Jurassic	—	117,000	117,000
Total for Kansu	15,000	397,000	412,000
Ordos (*Mongolia*):			
a). Permo-Carbon.	41,000	540,000	581,000
b). Jurassic	30,000	86,000	116,000
Total for Ordos:	71,000	626,000	597,000
GRAND TOTAL	453,000	1,647,000	2,100,000

The geological investigations conducted by the two mentioned American geologists, Messrs. M. L. Fuller and F. G. Clapp, date back, in their beginning, to 1913-1915.

These researches, supplemented with some more recent investigations, represent something like 20,000 miles of geological traverse, covered by six parties in the field. Almost a half of this traverse was attended to personally by the two mentioned American geologists.

The general geological conditions of the traversed provinces (Shansi, Shensi, Kansu and Ordos) are characterized by sharply folded formations, involving Jurassic, Carboniferous, and older rocks. Westwards, the folds flatten into a broad basin, extending beneath Shensi into Kansu, beyond which mountains reappear in discontinuous ranges in a position similar to that of the Rockies in the United States. The drainage of the basin escapes by the Hwang Ho River. A great loess sheet covers the underlying rocks with a mantle of yellowish silt, sometimes of considerable thickness.

The western part of Shansi consists of a series of elongated basins, beginning near the Great Wall on the north and extending to the vicinity of the junction of the Fen Ho and Hwang Ho Rivers. These basins are surrounded by sharp faulted anticlines of the Cambro-Ordovician age, and contain coal measures of considerable thickness.

The northern part of Shensi province is characterized by sharp folds of similar rocks, as in the provinces of Shansi and Kansu, which are flattening westwards into moderate, monoclinal dips near the Hwang Ho River. The great North Shensi Basin of sedimentary rocks stretches from north to south for about 450 miles, its width being more than 250 miles, thus covering the almost uninterrupted coal-bearing area of more than 100,000 square miles. Cambro-Ordovician, Carboniferous, Permian, Triassic, and Jurassic formations dip into the basin on the east and south. The coal-bearing formations are highly inclined, but the dips rapidly decrease through a series of folds to a nearly uniform inclination of about half of a degree at a short distance.

In southern and western Ordos zones of Cambro-Ordovician and Carboniferous rocks were noted, occuring within a few miles of the nearly flat upper Jurassic beds. The northern part of Ordos was not sufficiently investigated by Messrs. Fuller and Clapp.

The geological formations in the Kansu section of the "North Shensi Basin" are similar to the Shensi section of same.

Oil Development Unlikely

The geological investigations made by Messrs. Fuller and Clapp comprise the western Shansi, northern Shensi and eastern Kansu. They were even extended to Ordos and Chihli, as the main task of these American geologists was the search of possible deposits of petroleum in North China, generally. From this latter standpoint, they have made public their statement "Oil Prospects in North-Eastern China" (Bulletin of the American Association of Petroleum Geologists) testifying that the "North Shensi Basin" appears "to have some chance for oil production on a small scale, but there is unlikely to be intensive oil development in it". "The rocks are too highly folded and too greatly metamorphosed to permit accumulations of oil in commercial quantities".

But from the standpoint of coal, the results of their investigations *seem to be* extremely great. As the largest portion of geological survey of the "North Shensi Basin" was made, we understand, during the period of 1913-1915, it is rather incomprehensible how the results of such important geological discoveries were allowed to remain unpublished almost over ten years.

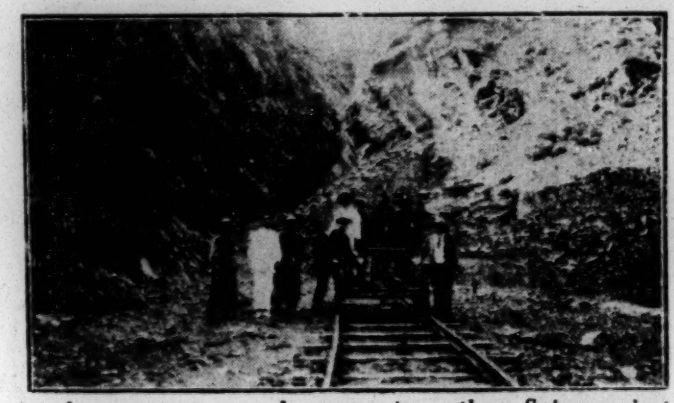
Messrs. Fuller and Clapp mention themselves that their geological investigations were conducted *in conjunction* with the Chinese Government. However, it seems, these results remained unknown even to the Geological Survey of China, at least until 1926, when this Survey issued its General Statement for 1925. In this statement the new estimates of the coal reserves of the "North Shensi Basin" have not been included.

We could not leave without noting the above mentioned reticence of the Chinese Geological Survey, and it seems to be of general interest to learn as soon as possible the authoritative final and decisive opinion on this subject of the Geological Survey of China. Everything that is known of the geological work in China conducted by Messrs. Fuller and Clapp testifies of their high qualifications. Their observations on the work done are widely taken as trustworthy, but in view of the outstanding magnitude of their estimate of coal reserves of "North Shensi Basin", some official corroboration on the part of the Geological Survey of China would be not amiss.

Ordos

The American geological field-parties of Messrs. Fuller and Clapp have not completed the exploration of the Ordos. The conditions on the north were undetermined. In the explored part of Ordos they have established the total reserves of 597,000 million tons of coal, of which they consider only 71,000 million tons to be recoverable.

The main reason of this small proportion, it seems, is due not to disappearance of coal-bearing formations, but



A scene near a rock quarry in southern Suiyuan, just north of Shensi. These barren formations are frequent throughout all Shensi and Suiyuan.

to the presence of the great loess sheet which often covers the former with layers sometimes from 500 to 2,000 feet thick.

As the presence of coal is known in the vicinity of Suiyuan and Paotow and in some places farther to the north of Ordos, it is quite possible that the northern border of the Great North Shensi Basin is not limited by the northern river boundary of Ordos, but it may extend farther into Mongolia and Kansu.

Although the present scant population and general remoteness of Ordos have not as yet given any impetus to some practical utilization of the local coal wealth, nevertheless, such times are possibly not distant, as one of the most probable and urgent projects is the extention of the Suiyuan-Peiping Railway from Paotow to Lanchow. If realized, this line must transform almost entirely the present economic conditions of Ordos, and bring forth the utilization of the coal wealth.

Coal Production in Shansi

Although quite a considerable part of the Great North Shensi Coal Basin extends into Shansi, the bulk of the present coal output comes in Shansi from the two other eastern coal basins, those of Tatung and Ping Ting.

The Tatung Coal Basin is situated in the north-eastern corner of Shansi, beyond the Great Wall. Bituminous coal of this basin finds a good market for the needs of the Peiping-Suiyuan Railway, and in some quantities has been even exported to Peiping and Tientsin.

The Tatung Coal Basin has only recently begun to be worked on any large scale. Small as it is compared with the Great North Shensi Basin, it is still considered to be of a considerable commercial value. The Shansi mining authorities believe that the extention of the Tatung coal-field stretches clear across the northern part of the province, being in connection with the Shensi-Ordos part of the North Shensi Basin.

The Tatung coal has been repeatedly reported by various competent mining authorities as of an excellent quality. We could not obtain any typical average analysis of best coals found in the Tatung field, but it is asserted that its calorific capacity it very high, averaging around 14,000 B.T.U., as compared with the Kailan coal produced at Tongshan, of from 10,000 to 11,000 B.T.U. These figures have been supplied by Mr. Y. K. Kwong, mining engineer and manager of two important coal mines in the Tatung region, to Mr. Edgar Snow, assistant editor of this *Review*. In particular, Mr. Kwong's opinion about the magnitude of the Tatung coal reserves, deserves much attention: "Our geologists" he says, "assert that no better coal can be found anywhere in the province and the deposits are so large as to be considered practically inexhaustible for the next fifty years".

The main part of the Tatung coal-field, which, at the present time, is worked by a number of mines, is connected with the town of Tatung and Peiping-Suiyuan Railway by a branch line about 40 miles long.

According to the official statistics of the Geological

Survey of China, the annual coal output of mines operating in the Tatung coal-field reached almost 250,000 tons, already in 1922. The abnormal transportation conditions on the Peiping-Suiyuan Railway, caused by the militaries, were responsible for the decrease of the output to 79,000 tons in 1925, but, since that time, notwithstanding insufficient rolling stock, the quantity of coal produced is steadily increasing. It is asserted that the present output of coal of the entire Tatung region is already as high as 400,000 tons a year. The official figures are the following:

1919	28,475 tons.
1920	139,669 „
1921	67,466 „
1922	166,690 „
1923	238,245 „
1924	248,533 „
1925	79,742 „
1928	400,000 (?).

There is some regular export of Tatung coal to Peiping and even Tientsin, which—it is said—has very bright prospects in store for the future, owing to the good quality

The valley of the Black River, which flows through northern Shensi and Suiyuan. Formerly one of the most fertile regions in northern China, this is today little better than a desert land. It is typical of the topography of the country which holds the Shensi treasure—coal.

of coal, and the demand for it. At tre present time, however, the development of export is rather impeded by the extreme insufficiency of rolling stock of the Peiping-Suiyuan Railway.

We may add here that the official publications of the Geological Survey of China often cite the following analysis of the Tatung coal, which—it seems—must be taken as typical:

Moisture	4.50%
Volatile matters	30.99%
Carbon	58.00%
Ash	6.20%
Sulphur	?

Mines Operated by Modern Methods

Only a few coal mines are operated by modern methods and are considerable in their output. We may mention here the following:

1.—*Tung Pai Mining Co. The Tatung Coal Basin.* The largest modern coal mine in the Tatung region and ranking second in the entire Shansi is taken into consideration. The coal mine is located at Pai Chia Wan, Kow Chuan Chen, with the Head Office in the town of Tatung. The company was established only in 1921. It is capitalized at Mex. $3,000,000, subscribed by Shansi merchants in cooperation with Cantonese merchants. The Tung Pai Coal Mine turned out, already on the second year of its existence, over 150,000 tons, and in some of succeeding years the annual output was as high as 300,000 tons. There is a considerable discrepancy in information about the production of recent years. While it has been once mentioned in the "Economic Bulletin" that the recent annual output amounted to 400,000 tons, according to the information collected in Shansi by Mr. Edgar Snow this mine turns out, at the present time, only 200 tons daily, employing about 250 miners, that is only some 60,000 tons a year.

2.—*Ko Shun and Tung Chung Coal Mines. The Tatung Coal Basin.* Situated at about 40 miles from the town of Tatung, with which the mines are connected by a railway branch line. Only since recently in operation, the present production is comparatively small. There are at present in working only three shafts, which give employment to about 200 miners, with a daily output of 100 tons, that is about 30,000 tons a year. The coal is of an excellent quality, averaging up to 14,000 B.T.U. of calorific capacity. Mr. Y. K. Kwong, in supplying this information to Mr. E. Snow of this *Review*, asserted that the present limited output can and will be enormously increased as soon as adequate transportation facilities for moving the coal to markets are arranged. The property of these two mines covers an area of approximately 30 square miles and the operations can be considerably enlarged. Nearly all the coal produced at the present time is sold locally, for Taiyuanfu and the Railway, but also for ex- the military authorities.

3.—*Chien Chang Coal Mine.* The mine is operated along modern lines, and its annual production capacity, according to the testimony of the Geological Survey of China, is of about 100,000 tons.

The Ping Ting Coal Basin stretches meridionally along the eastern border of Shansi and its northern extension is favorably traversed by the Taiyuan-Chengting Railway. Owing to this latter fact, the coal mines of the Ping Ting basin have been able to sell their coal not only locally, for Taiyuanfu and the Railmay, but also for export to several neighbouring provinces. The Ping Ting Coal Basin is characterized by its anthracite of good quality, and, at the present time, it is covered with a large number of mines, the most of which, however, are small and operate along old-fashioned lines. None of them may be compared with the principal coal mine of this region, the Pao Chin Coal mine, which deserves to be described here in some details.

Pao Chin Coal Mining Co. The mines of the company are located at Yang Chuan, which is midway between Shihkiachwang and Taiyuanfu on the Chengtien-Taiyuan Railway. The establishment of the mine dates back to 1906. For a short period it was operated by the Peking Syndicate, but in 1908 the mine was bought out by the Shansi gentry, and at the present is registered as a purely Chinese company, with Tls. 2,000,000 of capital.

The Pao Chin coal mine is one of the mines of the Ping Ting Coal Basin, situated in the eastern Shansi. The scale of the Ping Ting Basin are represented by anthracite of very good quality, containing, on the average, 86.35 per cent of carbon. Their location in the vicinity of the Chengtien-Taiyuan Railway has made possible shipments of large quantities of coal to other provinces.

Besides the Pao Chin coal mine, there are other mines extracting coal from the same Ping Ting Coal Basin. At one time, those numerous other mines were able to turn out an aggregate twice as much as that of the Pao Chin mine, but their antiquated equipment is not favorable to compete with the more or less modern methods of the Pao Chin mines, and, it seems, since 1925, the latter mine is sole representative of the utilization of coal of the Ping Ting coal basin on any large scale.

The comparative figures of the annual output of coal of the Pao Chin Mine and of the entire Ping Ting Coal Basin, the Pao Chin mine included, may be seen from the following production table, based on the figures of the Geological Survey of China:

Year.	Pao Chin Coal Mine.	Ping Ting Coal Basin.
	Metric tons.	
1919	203,179	591,442
1920	203,221	647,984
1921	249,877	699,784
1922	263,701	684,660
1923	311,048	1,020,450
1924	410,952	964,168
1925	225,885	225,885
1927*	420,000	420,000

(*For the figures for 1927, see the "Chinese Economic Journal", Jan., 1928).

According to the Statistical Annual of the Ministry of Agriculture and Commerce, which is compiled from reports of district magistrates, the total coal production of Shansi from 986,572 metric tons in 1917 increased up to 1,939,955 tons in 1921. In 1928, the Shansi Provincial Board estimated an annual production of coal of 3,571,000 tons, but the Geological Survey of China ("Chinese Eco-

Sun-Maid Raisins

Sugar in its Natural Form

nomic Journal", January, 1928) estimated it to be in reality only 2,300,000 tons.

Production of Coal in Shensi

As we have already pointed out, in the beginning of this article, the center of the great "North Shensi Basin" is situated in the northern part of the province of Shensi, where it represents an almost continuous coal-bearing area of more than over 100,000 square miles.

Although this province, as this has been already ascertained, possesses not less than 157,000 million tons of recoverable coal, the present local mining industry is insignificant and the operating mines continue to be still antiquated and inefficient. According to the recent information of 1929 ("Chinese Economic Bulletin", Aug. 3rd. 1929), we may compile the following details on the actual coal mining industry of Shensi:

1.—*Shen Mo District.* Several small mines situated on a coal-bearing area of about 13 square miles. Daily output 28.8 tons a day, or 8,640 tons per year.

2.—*The Yu Lin Coal Mines.* Seven coal mines working on an extremely rich in coal area of 400 square miles. Daily output 54 tons or 16,200 tons per year.

3.—*The Yen Chuan Coal Mines.* Three coal mines occupying an area of 15 square miles, with daily output of 6 tons only, that is of 1,800 tons per year.

4.—*The Yao District.* Rich coal obtainable from several feet underground. At the present time is worked by four small mines, with an aggregate annual production in the vicinity of 3,900 metric tons.

5.—*The Han Cheng Coal Mine.* A small mine producing only 420 tons of coal a year, but there are three new coal mines in the progress of organization in the same locality.

6.—*The Ching Ken Coal Mine.* Although it occupies an area of only 10 mow, the coal reserve are reported as to be sufficient for the local need for the next ten years. Output has not been given.

7.—*The Tung Kwan District.* Three coal mines, with the total monthly output of about 56 tons or 16,800 tons per year.

8.—*The Sheng District.* Two small mines, producing the risibly negligent annual quantity of coal (if it is not a mere clerical error in registration) of 42,000 catties, that is, only little over 25 metric tons.

9.—*The Tien Tse Kewo*—a very important coal producing center capable of turning out a million catties a year (600 tons) of good anthracite.

10.—*The Fun District.* Several mines. The Tan Tien Chuan Coal Mine is the largest, capable of turning out 50,000,000 catties a year that is 30,000 tons. However, at the present time the mine is operated at a loss owing to the use of out-of-date methods.

11.—*The An Tien District.* There are several coal mines in operation, supplying an aggregate output of about 4,000,000 catties of coal, that is about 2,400 tons a year, consumed at the small iron-works existing in the same district.

12.—*The Mee Tse District.* Several coal mines producing annually about 11,800,000 catties, that is 7,080 metric tons.

13.—*The Hsun Nan District.* The principal mine, Yao Chuan Lin, produces annually 6,000,000 catties, or 3,600 metric tons, of good coal, which is sold for the districal town of Hsun Nan.

14.—*The Pei Shu District.* Several coal mines, with the aggregate production capacity of 13,000,000 catties or 7,800 tons per year, which was sold in 1928 for the local consumption at six cents per catty, that is at Mex. $9.92 per metric ton.

The mere summing up of the above production figures gives us a total of 99,265 metric tons as an annual production, although there is everything to believe it to be a considerable underestimation.

Importance of Modern Methods

The primitive old-fashioned methods of extraction, notwithstanding the cheap labor, prevent the mines selling coal at any cheaper price than Mex. $8 to 10, and, even with such high selling price for such a remote province as Shensi, quite a number of coal mines were obliged to discontinue their operation, after finding themselves working at a loss.

The Provincial Government of Shensi, wishing to introduce in the province the application of modern methods in coal mining, has recently organized a large semi-governmental company, which will operate several coal mines in the Shui District.

It is perhaps too premature at the present moment, to venture into any guessing as of what wide importance may become the rational development of vast almost continuous coal-fields of the great North Shensi Coal Basin. It is almost impossible to think that some radical error has crept into the estimates made by Messrs. Fuller and Clapp. The attentive study of their reports suggests them to be rather an underestimation than overestimation, and they testify that the recoverable reserves of the Great North Shensi Basin have to be taken at 453,000 million tons.

The coals of the great North Shensi Coal Basin are of two different origins:

Permo-Carboniferous	370,000,000,000 tons or 77.6%
Jurassic	83,000,000,000 tons or 22.4%

Although there exists no detailed study as regards the quality of coals, still there is everything to believe that the North Shensi Basin possesses large quantities of undoubtedly good exportable coal. The Tatung coal-field, in Shansi, which seemingly is a detached extention of the main Coal-Basin, yields excellent exportable coal of up to 14,000 B.T.U. Coals of good quality are already worked in a number of small mines in Shensi province, and with due improvement of communications they may be found favorable to be mined by a number of large-scale enterprises.

The possibility of a wide utilization of the great North Shensi Coal Basin coals naturally lies in the solution of the transportation problem, and—from this point of view—the general location of the region is very favorable, owing to the transportation facilities which may be afforded by the Yellow River. This river surrounds the Ordos part of the Great Coal Basin from west and north, and, winding at right angle to south, traverses the Basin across its whole length. With some necessary improvement of the navigation conditions, the Yellow River may eventually become quite a cheap way of coal transportation to stations of the Lunghai Railway, and even further to the sea.

Railways

The three existing railways are already extended almost to the borders of the Great North Shensi Coal Basin, however, none of them traverses it or even enters its borders.

The Peiping-Suiyuan Railway, with its present terminus at Paotow, on the nothern bank of Yellow River is now supplied exclusively with the Tatung coal. However, the projected extention of this railway from Paotow to Lanchowfu may give a great impetus to the development of coal mining in the north-western parts of the Great North Shensi Coal Basin. Of the same importance may prove to be the coming completion of the Lunghai Railway from Sianfu to Lanchow.

The eastern part of the Great North Shensi Coal Basin, which occupies the western part of Shansi, undoubtedly will be eventually reached by an extention of the Chengting-Taiyuan Railway, as a large number of small coal mines exist there already and their owners are constantly pressing the provincial authorities to connect by railways western Shansi with Taiyuanfu.

Owing to its scant population and almost entire absence of good ways of communication, it seems, that the central part of northern Shensi is in the most unfavorable situation to expect any rapid development of the coal industry, but surrounded by the Suiyuan-Lanchow and Lunghai Railway this province will be also soon involved in the general industrial development of the country.

Comparatively not long ago, the province of Shansi was also considered as remote and deprived of ways of communications as the present northern part of Shensi. The construction of the Chengting-Taiyuan and Peiping-Suiyuan railways, however, was responsible for considerable development of the Shansi coal industry. Shansi province is now credited with an annual coal output of from 2,400,000 to over 3,000,000 tons, what is almost 10 per cent of the total coal output of the entire China. Rich as the Tatung and Ping Ting coal-fields are, the discovery that China possesses an untold treasure in the form of the Great North Shensi Coal Basin undoubtedly must, sooner or later, attract sufficiently large capital and this Basin has every chance to become the principal center of the coal industry of China.

Shanghai, August, 1929.

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A Chinese Opinion of the Sino-Russian Deadlock

BY K. T. WU

THAT the Chinese-Eastern Railway affair has engrossed the attention of the whole world is a fact which needs no reiteration. Ever since this deplorable incident took place, an amicable settlement of the dispute been has anxiously hoped for, not only by China, but also by the world at large. Up to the time of writing there does not seem to be any encouraging sign of peaceful negotiation, owing to the stubborn and unconciliatory attitude of the Soviet Government. In view of the deadlock, a brief survey of the situation is warrantable.

China's Position

The whole affair is plain to all, and therefore it is unnecessary for us to go over it again. China, from the reay beginning, took a calm attitude and has reiterated her readiness and willingness to negotiate with Russia for a peaceful settlement. Moreover, she has made her position clear in that her occupation of the railway does not mean the confiscation of the railway, for the Soviet will be allowed to retain its property rights. But it does mean that the administration of the railway should be in the Chinese hands. The argument upon which this demand will be based is that the Soviet Government has used the railway as an instrument to further communist propaganda in Chinese territory. According to Article 5 of the Mukden-Russian Agreement and Article 4 of the Sino-Russian Agreement signed 1924 neither of the signatories was allowed to undertake propaganda detrimental to the other country. Since the Soviet authorities violate this agreement, China's sagacious action for self defense is naturally justifiable.

Moreover, it should be borne in mind that the railway is built on Chinese soil, and it is perfectly clear that China has the right over its administration. The action is one of unavoidable defense and is by no means inexcusable.

China Willing to Settle Peacefully

China has always been a peace-loving country. Indeed, she has reiterated her readiness to negotiate with Russia for a peaceful settlement since the severance of all relations between the two countries. She has ever since maintained a pacific attitude, and has acted with discretion and determination. She has declared that she would devote her whole energy to the preservation of peace and the upholding of the spirit of the Keliogg Pact, Again, she has declared that she will strictly adhere to Article II of the Kellogg Anti-War Pact, and she will use every endeavour to settle with Russia amicably, provided the Soviets show sincerity in regard to stopping pernicious Red propaganda.

The Soviet's Attitude

Russia, on the contrary, did not show the least intention of beginning negotiations. The detention of Chinese officers, the attempt to dynamite bridges, the manoeuvre of air planes, the firing of the Russian sentinels, the attempts at sabotage and incendiarism, intimidations and similar belligerent demonstrations, all do nothing but indicate the warlike attitude of the Russians. In short, all of her actions are tantamount to an act of war. Despite many informal talks, not an inch of progress has been made beyond the Soviet Ultimatum of July 17. At the same time, Russia has done a very unwise thing in interrupting the trans-continental communications between Europe and Asia, so that other countries are sustaining inconvenience and heavy loses.

The Alternatives

Naturally, if conditions remain as they now are, the controversy may result in war. But, as pointed out in this article, China has no inclination to fight, but she will undertake any self-defensive measures which she deems necessary. She has not thus far given up the hope of the resumption of negotiations. Likewise, Russia, in view of the active Whites who are seeking for an opportunity to restore the former regime, cannot really desire to fight. Since outside mediation has been flatly rejected by the parties involved, the only prospect of a solution seems to lie in direct negotiations.

Prerequisites of Negotiations

Realising that the best solution of this dispute lies in peace, not force, we would like to point out that the element of paramount importance is sincerity. Since China has repeatedly elucidated her desire to settle peacefully, the possibility of an early settlement, therefore, depends to a large extent on whether or not the Soviet Government is sincere in its desire to settle the issue. Procrastination will unquestionably be the cause of further troubles. All belligerence should be stopped at once. Mutual goodwill is indispensable if the diplomatic complications are to be solved. Now China has expressed her attitude on the negotiations. It remains for Russia to make the next move. Will it be one that will lead toward peace—or war?

Chinese Rout Reds With Banana Barrage

New York City, July 29, 1929

Soviet sympathizers invaded China-town here yesterday afternoon and attempted to convince the populace of the Mott and Pell Street district that the Nanking Government was evil and unjust. The little group of Reds, who brought with them soap boxes and placards with inflammatory inscriptions, were first hissed, then howled down and finally chased by infuriated Nationalists, who almost cut off their retreat in a wild scramble for the Chatham Square elevated station.

The Reds rushed for one staircase, shielding their women orators. For a moment the Nationalists faltered then one Looy Moo, laundry worker, rushed for the other stairs, bidding his friends to follow. They captured one placard with "Down With the Nanking Government, Hirelings of World Imperialism," and before one could say "Manchuria" they had torn it to shreds.

It looked black for the Reds at this moment, but Captain Seery and a squad of patrolmen arrived at the psychological moment.

Chinese Is Arrested

Moo, to be sure, caught up with the last Communist and tore off a piece of the latter's shirt sleeve, but Policeman Leonard had the laundryman in his grip before any further damage could be inflicted. A surging mob below saw Moo turn and hiss something at the policeman. Leonard resented the aspersions and arrested Moo.

Ancient bananas, eggs and all varieties of vegetables were hurled at the Communists, and a few were direct hits, notably one egg, which ruined the dress of a woman orator. A piece of watermelon hit a bespectacled speaker in the face and interrupted the argument against the seizure of the Chinese Eastern Railway.

The meeting, which was under the auspices of the Anti-Imperialist League of 2,700 East Bronx Park, started at Mott and Pell Streets. Captain Seery, however, forbade the demonstration at this spot on account of the traffic danger, and the Reds picked up placards and soap boxes and repaired to Mott Street, just off Chatham Square. At first, faint, ironic heckling greeted the speakers. The fire-escapes were lined with Chinese and a few Bowery idlers who added to the chorus of disparagement. A sightseeing bus wound its way gingerly among the Red placards, and some sightseers had time to read "Long Live the Chinese Workers and Peasants' Revolution," "Not a Man, Not a Cent, Not a Gun for Imperialistic War" and "The Hoover-Wall Street Government Is Spending Millions for War Preparations."

Miss Ida Rothstein, who presided over the Communists, spoke, and was relieved by I. Zimmerman, secretary of the Anti-Imperialistic League, and H. T. Iao of the Chinese Students' Alliance. All was fairly peaceful until he spoke. Then there arose a murmur, which was finally punctuated with the heaving of fruit and vegetables.

Student Howled Down

"Comrades," began the student, but he got no further. He gesticulated and pleaded, but was howled down. Another Chinese Soviet sympathizer mounted the soap box and lasted about forty seconds before he had to give up. A man with a bandana about his head solemnly began to sing "Hail, Hail, the Gang's All Here."

The Communists spoke as fast as they could about "one hundred million workers and peasants of Soviet Russia," only to be howled down by the crowd, which by this time was becoming angry.

"We call upon the Chinese Government to keep their hands off the Russian railway. All this talk about peace and the Kellogg pact is all the bunk," shouted one speaker. At this point the watermelon remnant found its mark. A banana, carefully aimed, would have connected had not a placard-bearer used his cardboard standard as a shield.

The meeting had lasted scarcely twenty minutes when the Communists held hurried council and picked up their paraphernalia. They walked slowly at first, followed by a few policemen and a howling, jeering crowd. Then they increased the gait and finally ran for the elevated stairs.

At the Elizabeth Street police station Moo gave his age as 53 and his address as 21 Mott Street. He was charged with disorderly conduct.

New York Times

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New Books of Interest in the Far East

Through Imperialistic Eyes

The Indian Year Book, 1929. by *The Times of India*, Bombay. 1005 pp. Price $6.75 (Mex.)

For those who wish a very good outline of what the British overlords of India think of that vast continent, and for those who wish a purely British imperialist view of Indian history, problems, the national movement, etc., this is a very good volume to read. At times it appears to be compiled for tourists only, at others it seems to have been written as a sort of social register of British officialdom in India, and at all times it seems to have been destined for the more or less feeble-minded.

All that is of a a semi-scientific nature in the volume, such as an account of languages, of land revenue system, etc., seems to have been lifted from the census reports. The historical sketch is the stereotyped British viewpoint, with the "black hole of Calcutta" thrown in and all reference to the more horrible and more recent black holes (i.e. the Moplah black hole) for which the British are responsible, being gracefully avoided. In this sketch we read that the Prince of Wales was joyously greeted in India when he went there in 1922 to try and marshal Indian boot-lickers behind the English; the truth is that when he arrived in Bombay the troops had to guard him, and soldiers shot down protesting crowds. When he travelled through the states of native Princes, he was of course treated as a toy God—that is why the Princes are permitted to rule; but when he went through other Indian cities he proudly cantered through streets as deserted as cities of the dead, even the cats having been locked in the houses.

It is of interest that Persia, Afghanistan and Tibet are included in this "yearbook of India", and it would be of interest for Chinese to read the account of the Younghusband expedition to Tibet which, we are informed, existed under a Chinese "constitutional fiction". It is typical of British historical methods that the indemnity imposed on Tibet is mentioned, but that nothing is said of the Tibetans killed for their unmitigated audacity in opposing the invasion of their country. It is similar to the Nanking and other "incidents" in China, for which the British demand compensation, while they hypocritically ignore the victims of the Nanking Road massacre of 1925.

Just how the British see values may be shown by the space given various subjects in this yearbook. For instance, horse racing in India is assigned 20 pages and here you read the elevating lists of horse owners, the names of the horses, distance and time. Then, on page 24, comes the heading "Social and Economic Conditions." Just a little over one page is given to this subject. It's a shame they didn't have any more horse races to fill up this space. Opium, about which the Indian nationalists wage a desperate struggle because the British opium policy is ruining the lives of countless Indians, is assigned 1 ½ pages, and we read that the policy of the government has not been to suppress the "indulgence of the almost universal desire of human beings for a stimulant or narcotic", and they add, especially of those whose occupations involve exposure or hard physical labour. They fail to add that opium pills are given to miserable coolies after they have reached the end of their physical strength in brute labour; and they fail to mention that the white civilized owners of the tea plantation of Assam give opium as a part of the daily wage of the plantation serfs—and that these people would not remain serfs but for the opium that drugs them. They also fail to mention that Englishmen are guarded against indulging in the "universal desire for a stimulant or narcotic. This policy of drugging a people to make them slavish and to render the gentle art of pocket-picking on an international scale a highly profitable one, is indulged in by other powerful nations also, as China has learned to its cost.

As horse racing is given 20 pages in this yearbook, boxing is given 6½ pages; child welfare is given just 1½ pages, although this topic begins with the statement that "among the most pressing problems of India is that presented by the appalling infant mortality;" scientific surveys are treated liberally with 4 pages, famine is given 4, local government 3, and forests 5½. The gun salutes accorded the various English overlords, and the debauched Indian princes which they maintain, as well as the list of names of boot-lickers and rascals upon which imperialist honours have been conferred, take up 32 pages of the volume. The last 200 pages have been devoted to a "Who's Who" in which such honoured names as Gandhi are given a few lines, along with all the British nincompoops and degenerate Maharajas in the country. Tagore is called "Sir", although he returned this title to the rulers of India after the Amritsar massacre in 1919 when 500 of his countrymen were massacred and 1,500 wounded in one garden in the north. It is of interest that the Amritsar massacre is tactfully avoided, and that, instead, much space is given to the awfulness of "violent movements and "murderous outbreaks" of the Indians.

Hypocrisy cannot go further than in this volume. This is not a year book of India. It is a year book of the prostituted mentality of the British rulers of India. M. R.

Religion In Russia

The Russian Church since the Revolution, by G. P. Fedotoff; Society for Promoting Christian Knowledge, London, 1928. 96 pp. with appendix.

This is a plain, straight-forward story of the vicissitudes endured by the Russian Church since 1917. The Church, along with the intelligentzia, suffered tremendously from the Bolsheviks at a very early period of the Soviet rule. Estimates as to the number of the religious who lost their lives at that time run from 1,500 to 8,000. It is certain that facts are not likely to be made known; the figures rest on reports, often very meagre. The Denikin Commission estimated the general figure of 1,716,-118 as a total of all professors and teachers, clergy, monks and nuns who lost their lives under the first violence of the Communist regime. "In none of the European socialist parties or groupings has the struggle against religion been put to the fore as in Russian Communism. Out of atheism they have made a new creed, preached with real religious fanaticism. Communism has cast out of its programme the classical watchword of social democracy—'Religion is a private matter'. For Communism, religion is a social enemy against which struggle is obligatory."

After a year of persecution one can but admire the courage of the Patriarch Tikhon who addressed a long communication to the Soviet of People's Commissars. After recounting the misdeeds of the Bolsheviks against the people and the Church, he says—"It is not for us to judge earthly powers; all authority from God would draw unto itself our blessing if it were in truth the servant of God, to you who use your power for the persecution and the destruction of the innocent, we issue our word of admonition: celebrate the anniversary of your coming to power by the release of the imprisoned, the cessation of blood letting, of violence, of ruination, of restraint of faith; turn not to destruction but to the construction of order and law; give to the people the respite from civil warfare which they have longed for and deserved. For otherwise the blood will be on your own head. 'For all they that take the sword shall perish with the sword.'" Despite the vigour and sharpness of this remonstrance, it is easy to see in it the patriarch's recognition of the Bolsheviks as *de jure* in authority.

The author discusses the troubles between the Orthodox and "Renovated" Churches and narrates the history of the past few years of anxiety and strife. He concludes that persecution has deepened the spiritual life of the church. "We have witnessed a remarkable adornment of Divine service. Never before has it been performed in so solemn and spiritual a manner. . . . In nearly all, even in the smallest churches, there are beautiful choirs. . . . "Private prayer, sometimes prayer meetings, complement the worship in the church. . . . The monastic idea, which a short time ago seemed to belong to the past ages, is again growing popular. . . . And, finally, among the Christian intelligentzia, there is particularly strong the demand for the incarnation of Christianity in practice, not in personal life so much as in general cultural work."

Since the summer of 1927 there has been a more amicable arrangement between church and state in Russia; so that it is hoped to bring about legalization for Church schools, a Church Press, and such aids as were formerly permitted. If these cannot be granted there will be little hope for the persistence of a church whose clergy must die in the nature of events, and whose ranks cannot be replenished without some of the educational facilities of the past. G. B. S.

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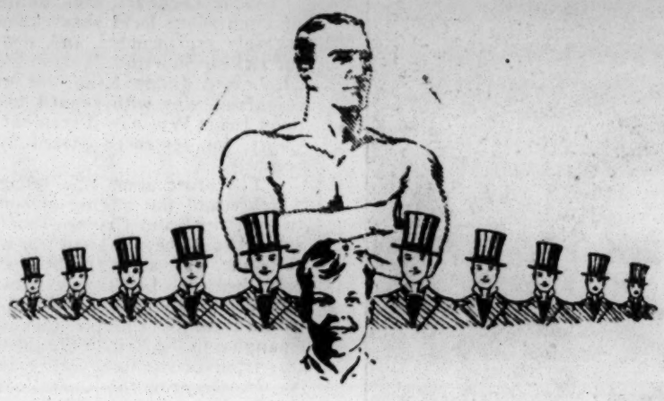

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Who's Who in China

Mr. Teng T'sui-yin
鄧萃英字薌芝

Mr. Teng T'sui-yin was born at Ming Hou Hsien, Fukien Province in 1888. He was graduated from the High Normal College, Tokyo, and also from Columbia University.

He was professor on pedagogy at several universities in China and has been President of the Amoy University and also of the Chung Shan University of Honan.

He attended the Washington Conference as an expert attached to the Chinese Delegation. He was a Member of the State Council which existed under the Northern Government.

Since the formation of the Honan Provincial Government under the National Government, Mr. Teng has been a Member and concurrently Commissioner of Education of the Honan Government.

Judge Wu Now President of Shanghai Provisional Court

Judge John C. H. Wu assumed office as President of the Shanghai Provisional Court on August 23, succeeding Judge Ho Shih-tseng, who resigned the end of July, since which time Judge Wu has been Acting President.

In accepting this new post, Judge Wu was obliged to wire to Harvard University asking for a four-months postponement of the lectures which he had arranged to deliver there. He hopes that the Nanking Government will relieve him of his new post before the end of the year.

In an inaugural statement, the new President of the Court stated that his policy would be a rigid adherence to the letter of the law, which is his only idol. "It is my sincere conviction that to stick to law at all costs is.....the best way of serving my country."

President Wu said he would stick to the Rendition Agreement, carrying it out to the letter, as long as it was binding. It was his duty not to violate this, and also his duty to safeguard it against possible violation by foreign deputies. In his work he would serve the law, and not any political superior.

The usual inaugural ceremony was, at the new President's desire, eliminated, in order to avoid losing a day of the court's work for this formality.

Local Britisher Fined and Reprimanded For Scurrilous Attack Upon Chinese Judge

W. B. Lockhart, who admitted being editor and publisher of a scurrilous local sheet known as "The Showdown," was severely reprimanded and sentenced to pay a fine of $200 in the British Supreme Court in Shanghai last Saturday, August 24, beford Judge King, for gross contempt of court. The complaint was with regard to an insolent and abusive attack upon Judge Wu, now President of the Shanghai Provisional Court, for sentences passed by him upon Mexican gamblers recently.

The prosecution was brought under an Order in Council which made the offense of contempt of court reciprocal between British and Chinese courts, and provided that a British subject could be punished for contempt of a Chinese court in the same way as for contempt of his own court. An article published in Lockhart's paper August 3, entitled "The Savagery of the Rice-Fed Mind," was the basis of a communication from the Chinese Commissioner of Foreign Affairs at Shanghai to the British Consul-General here, pointing out that this articles constituted deliberate and open contempt of court.

In answer to the Consul's statement, Lockhart admitted that his language was "intemperate, improper, and ungentlemanly," and made his "very sincere and respectful apologies to the said Dr. Wu."

The Court pointed out, with regard to Lockhart's statement in the article in question that "the sentences passed .... would not have been passed in any country other than China and .... were vindictive and unwarrantable," that this was untrue, aud cited a severe judgement passed upon a British subject here for public gaming. In passing judgement Judge King said that Lockhart's article could not be called a criticism but was simply scurrilous abuse of Judge Wu, as shown by the caption "The Savagery of the Rice-Fed Mind," the reference to the Garcia sentence as "savage," and other things, the article being also an attack upon the Chinese people. The Court asked Lockhart to show cause why he should not be committed to the Amoy Road Jail for such an article. Concluding, Judge King said:

> "It is an absolutely scurrilous and improper article, and it is worse still to use it in China because here we have extraterritorial rights which give us privileges, and equally it is the duty of a British subject to consider his obligations. I ask what good an article like this could have done? If anything, it could violently arouse the Chinese authorities."

The Court, in levying a fine of $200, said it would have to be paid into Court at once. He warned Lockhart that he would be given no mercy upon a repetition of his offense.

Soviet Plane Again En Route To New York

A Soviet plane, *Land of the Soviets*, left Moscow August 23 bound for New York via Siberia and Alaska. The aviator is Chestiakov, who is known in Shanghai through his flight here a few years ago. The present flight is intended to ascertain the practicability of a Siberia-Alaska route for an air line between Moscow and the Pacific Coast of the United States.

The first attempt at this flight, made by another plane of the same name starting from Moscow August 8, also piloted by Chestiakov, resulted in a forced landing at an uninhabited place 170 miles from Irkutsk August 11, the aviator losing his way owing to forest fires and fog. A few days after this forced landing, the plane returned to Moscow.

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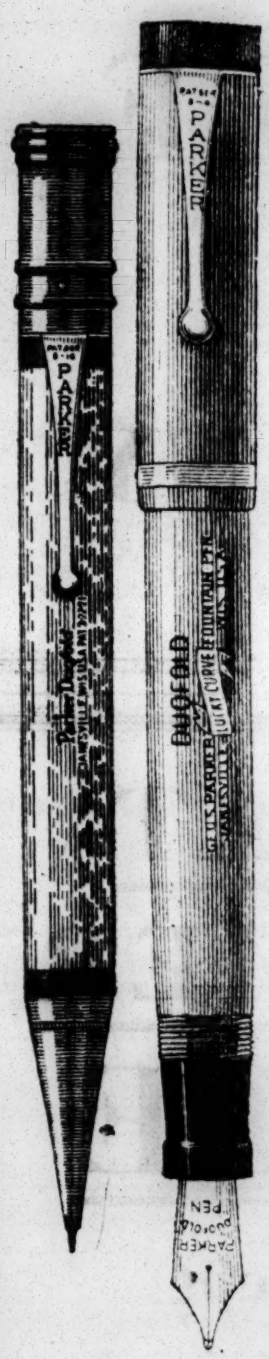

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RUSSIAN AND CHINESE OFFICIAL STATEMENTS ON C. E. R. DISPUTE

(*Continued from page 12*)

managed by China and Russia jointly, the railway to be treated entirely as a commercial enterprise, it being expressly stipulated that each party should refrain from using any means inimical to the existing government or social order.

The Minister stated that for several years, the authorities in the Three Eastern Provinces had on frequent occasions drawn the attention of the Soviet General Manager to the manner in which this Agreement was being disregarded by the Soviets, and also to the policy pursued by the Soviet management of diverting the funds of the railway to finance communist propaganda throughout China against the Government, such propaganda mainly emanating from the Soviet Consulate-General at Harbin.

Last May, as the result of confidential information received, the Harbin authorities, said Dr. Wang, searched the Consulate-General, with the result that they found a convention of Soviet agents in full swing discussing a programme for further and enlarged communist activities in China, aiming at the destruction of the present social order and government of China. Ample documentary proof of the past and proposed future subversive activities of the Soviets were seized, and many of them had since been published.

Although a number of Soviet agents were arrested and interned, the activities of the Soviet Consulate-General and og other Soviet agencies in the Far East, and of the Soviet-controlled C. E. R., continued, growing more serious every day. Fearing a Red rising that might, if it succeeded, dwarf that of Canton in December 1927, which was fomented by Soviet agents, the National Government was forced to take defensive and precautionary measures which, in cases like these, necessarily had to be summary and drastic.

The local authorities arrested and shortly afterwards deported the staff of the Soviet Consulate-General and replaced the Soviet General Manager of the C. E. R. with a Chinese Joint General Manager.

In thus taking over the control of the Railway for the purpose of self-preservation and defence, the National Government was acting within rights sanctioned by international law. It was absolutely incorrect to assume that China had "seized" the Railway.

Dr. Wang proceeded:

"With such ample proofs of the underground subversive propaganda carried on in the past and planned for the future by the Soviets who controlled and utilized the C. E. R., the National Government cannot see its way to agree to a return to the status quo at a preliminary to the opening of negotiations, knowing that the return of the the Soviet consular officials and agents to the Three Eastern Provinces now would unfailingly result in even more intensive communst propaganda and activities than hitherto, which would be detrimental not only to the Chinese people and Government but also to the peace and order of the world, unless ample guarantees were forthcoming that these subversive activities shall terminate However, China has been and is ready to reach an amicable settement. Her attitude continues to be firm but conciliatory."

Questioned with regard to the report of frequent clashes on the Siberian frontier, the Minister asserted unhesitatingly that no Chinese troops had stepped on Soviet soil. "On the contrary, the Chinese troops are holding positions well back from the frontier in pursuance of the rigid policy of the National Government that its forces must abstain from any acts of agression. This policy has been so forcibly impressed upon the Chinese troops that in a recent incident although Soviet soldiers advanced to within twenty-five feet of a detachment of Chinese troops on Chinese territory, the latter held their fire until the Russians opened."

Dr. Wang commented on the fact that Russian propaganda concerning the situation on the frontier was "based on the usual plea of perfect innocence of all wrong-doing by Russia and customary stories of imaginary "atrocites" on the part of enemy troops, though it is incontestably proved that the Soviets have been conducting systematically and regularly raiding parties into Chinese territory, taking a daily toll of Chinese lives, including civilians, and wantonly destroying property."

In regard to the internal situation, the Minister affirmed that the liaison between Mukden and Nanking Chang Hsueh-liang had requested was most harmonious, and the National Government would dispatch any number of the best troops to reinforce the well-equipped forces of the Three Eastern Provinces.

These National troops would be under the command of General Ho Chen-chun, the Chief-of-Staff, and a soldier who enjoyed the complete confidence of President Chiang Kai-shek. Full financial support had also been given to the three Eastern Povinces.

(*Continued on page 35*)

Men and Events

The French flyers Arrachart and Rignot, who snce leaving Shanghai a few weeks ago have visited Nanking, Hankow, Peiping, and some lesser places, were reported at Mukden August 22.

Owing to a case of smallpox discovered on board the P. & O. steamship *Morea*, at Shanghai, August 20, the steamer was held here for a week, not being permitted to leave for Japan until August 27. The case proved to be an isolated one.

A message from Moscow quotes a semi-official statement, detailing the Soviet's plans with regard to the import of tea, to the effect that purchasing operations are being transferred from China to India, Ceylon, Java, Amsterdam, and Japan, as a result of the strained relations between Russia and China.

The dead body of a young Russian woman was found in her room in a lodging house on Avenue Joffre last week. She was without funds and with her room rent overdue, and had committed suicide by hanging. Her two day's absence, and the continual burning of the light in her room, aroused the apprehensions of others in the house, and the door was forced and her body found. She left letters explaining her act.

Mrs. Woodrow Wilson, widow of the late President, who arrived in Shanghai last week, was entertained by Drs. H. H. Kung and C. T. Wang at receptions on August 23 and 24 respectively, meeting President and Mrs. Chiang Kai-shek and other political personages. The distinguished widow left for Nanking early this week, Dr. Wang's private car being placed at her disposal. After a brief stay in the capital, she will go on to Peiping.

Holgar Harrendorff, German sentenced three years ago for a $1,0000,000 fraud upon several of the biggest banks in Shanghai, was released from prison last week upon medical grounds, as he is suffering seriously from heart disease, and has had to be kept under constant medical superision much of the time he has been in prison. He was originally sentenced to six and a half years' imprisonment, of which term he has served about one-half.

The death of Sir Ernest M. Satow, one-time British Minister at Nanking, was reported from London August 26. Mr. Satow is best known to scholars as a student of Japan, where he spent many years, entering the British consular service there in 1861. He has written several books on the Japanese language, was co-editor of Murray's "Handbook of Japan," and wrote a number of works on diplomacy and diplomats as well. He was 86 years old at the time of his death.

Two English insurance men were kidnapped on August 17 by Manchurian bandits at Kiamusze, on the Sungari River 280 miles northeast of Harbin, according to a report received here last week. The victims were E. M. Burton, of Butterfield and Swire, and I. H. C. Godfrey, of the Harbin branch of the Commercial Union Assurance Co., Ltd. Nothing has been heard of them since their disappearance, information of which was gained through a Chinese interpreter who had been traveling with them and who escaped the bandits.

Serious Explosion at Nanking

An explosion at a munitions depot at Nanking, near the West Gate, caused great excitement in the capital on August 26. The depot is one of the largest in the country, and is in a densely populated district. The first explosion, at a powder magazine, was followed by terrific volleys of explosions as shells and cartridges stored at the place ignited and went off. The fire promptly spread to nearby houses, but was extinguished after some damage.

Shortly after the explosion martial law was declared at Nanking, and a large force of gendarmes and police posted, particularly in the neighborhood of the powder magazine. A number of employees of the depot have been arrested and examined in connection with the explosion, the cause of which is so far unknown.

Japanese Looking For Evidence Against Shanghai Korean

A report received in Shanghai states that Mr. W. A. Lyuh, popular and well-known Korean sportsman who was arrested here by the Japanese authorities last month and sent to Korea for trial upon unknown charges (presumably connected with his being a Korean patriot), received preliminary hearing before the Seoul Police Court on July 19, since which time he has been held apparently in order to see whether the Japanese police cannot find some evidence upon which to convict him of something.

Mr. Lyuh's wife and four children are still in Shanghai, but it is reported that they intend to leave for Korea in the near future.

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In the United States Court for China

In re Estate
Last Will & Testament
of
VLADIMIR LUGEBIL,
Deceased

Cause No. 3211
Estate No. 703
NOTICE

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of VLADIMIR LUGEBIL deceased, to present the same with vouchers to the undersigned on or before February 17, 1929, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Mrs. Elizabeth Lugebil
Special Administratrix.
205 Route Duplex.
Shanghai, China.

Shanghai, China,
August 14, 1929.

From the Chinese Press

News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official). Ta Chung (Kuominchun) and from translations of articles and dispatches appearing in the local Chinese press.

Tuesday, Aug. 20.—A loan of $1,000,000 to meet the expenses of improving the Chinese Telegraph Administration has been petitioned for by the Ministry of Communications.—The Kwangtung Provincial Forces are to be reorganized into 5 Divisions and 2 Independent Brigades.—The Executive Yuan has ordered that estimates for the fiscal year of 1920 be prepared and submitted to it by the Ministries, Provincial and Special Municipal Governments.—Wu Shang, of the Hunan Forces, is personally in charge of bandit suppression in Hunan.—Reports from southern Hopei state that the Grand Canal has been steadily rising and is now threatening to overflow.—The Ministry of Foreign Affairs has received two communiques from Chang Hsueh-liang reporting the recent invasions of the Manchurian border by Soviet troops.—The Central Supervisory Committee has ordered that in disciplining Party members certain rules of procedure be observed.—The American Red Cross Famine Relief Commission has arrived in Nanking.—The Commander-in-Chief's Headquarters is to be abolished next month.—A set of regulations governing the issue of the Disbandment Treasury Bonds, to the amount of $70,000,000, has been passed by the Legislative Yuan.—Yen Hsi-shan is summoning a conference at Taiyuan to devise measures for disbandment and reorganization.—Ho Chen-chun, representative of Chiang Kai-shek, conferred with Chang Hsueh-liang at Shenfang this morning.

Wednesday, Aug. 21.—Passenger service on the Shanghai-Nanking Air Mail Line is to be started within two weeks.—Kwangsi forces are to be reorganized into 3 Divisions and one Independent Brigade.—Another meeting for the conclusion of a Sino-Czechoslvokian Treaty of Amity and Commerce was held yesterday between Hsu Moh and the Czechoslovakian representative.—The 11th Army Corps under Liu Chen-hua is to be transferred from Honan to Hopei for garrison duties.—Chien Tai, deputy of the Ministry of Foreign Affairs, arrived in Peiping yesterday, visited the Foreign Legations and informally discussed the Sino-Soviet situation with the Ministers.—M. De Warzee, Belgian Minister to China, is leaving Peiping for Nanking to complete arrangements with C. T. Wang for the taking over of the Belgian Concession at Tientsin by the National Government.—New appointments to the Ministry of War were decided at yesterday's meeting of the Executive Yuan.—Three detachments of Hunan Forces are advancing toward Shanghai, the stronghold of the Communist leader, Ho Lung.—Offices of the ordinary Commissioners of Foreign Affairs are to be abolished by the end of August and those of the Special Commissioner at the end of the year.—An order for the mobilization of the entire reserve units of the Northeastern Provinces, totalling 120,000 men, has been issued by Chang Hsueh-liang.

Thursday, Aug. 22.—Members of the Central Political Council have been divided into several committees.—The garrison headquasters for Wuhan has been declared abolished.—The system of competitive examination is to be adopted for Anhwei provincial officials.—The Ministry of Foreign Affairs and the Judicial Yuan are preparing a second note to the Powers concerning the abolition of extrality.—The Chinese legation in Japan and the Japanese Legation in China are shortly to be elevated to the status of Embassies.—The State Council has ordered that hereafter the Chairman of no Provincial Government shall be allowed to assume a military post and no Divisional Commander shall be allowed to hold a civil post.—Sun Fo has arrived in Nanking from Tsinan after an inspection of the railways of North China.—G.$110,000 has been remitted to Wu Kai-hsin, secretary of the Chinese delegation to the League of Nations, by the Ministry of Foreign Affairs as payment of China's quota to the League for the first half of the current year.—Li Pei-chi has been appointed Chairman of the Suiyuan Government in succession to Hsu Yung-chang.—Chiang Kai-shek has despatched a telegram to the Provincial Governments urging that representatives be elected to supervise the disposal of disbandment funds.—A National Afforestation Conference will be convened September 2.—The 5th Disbandment District is to be established shortly with Ma Fu-hsiang and Liu Chen-hua as Director and Assistant Director respectively.—Chang Hsueh-liang made a detailed report yesterday on conditions near the Sino-Russian border. Counter military measures in dealing with the activities of the Soviet troops have been adopted by Chang Hsueh-liang.

Friday, Aug. 23.—A squadron of 78 military airplanes, will be obtained from America by the Kwangtung Government for incorporation into the provincial forces.—A despatch from Manchuli reports that 300 Soviet troops crossed the border this morning and fired on Chinese troops.—Negotiations for the conclusion of a new Sino-Swedish treaty will be opened in the course of next month.—Chiang Kai-shek, accompanied by Yi-Pei-chi, Minister of Agriculture and Mining, arrived in Shanghai this morning from Nanking.—The Ministry of Foreign Affairs has received the Danish Government's reply to the Chinese note on the abolition of extrality.—Changes in the personnel of the Railway Ministry were announced by Sun Fo today.—Sun Fo, in addressing press representatives on the condition of the Railway Administrations, declared that the most serious problems confronting the railway authorities have arisen from the demands of the military officials.—Liu Wen-hui, chairman of the Szechuan Government Committee has resigned from his post.—Chin Yao-yen, representative of Chang Hsueh-liang, has arrived in Nanking to report to Chiang Kai-shek—The Hunan Government has despatched a detachment of provincial forces to round up outlaws on the Hunan-Kiangsi border.—Another 360 Soviet strikers have been brought to Harbin from the Harbin-Manchuli section of the C.E.R. and placed under detention.—An attempt of Soviet forces to cross the Chinese defense line at Chalanor on the morning of the 20th is reported.

Saturday, Aug. 24.—Chen Wei-yuan, Commander of the Kwangtung units of the Joint Bandit Suppression Forces in Fukien is reported to have recaptured Kutso and to be heading for Lungyen.—The National Government is to remit $2,000,000 to Chang Hsueh-liang as part of the mobilization expenses of military units in the Northeastern provinces.—Deputies are to be sent by the Mongolian and Tibetan Affairs Committee to Sikong to investigate into conditions there.—Surveying of the Huai River as a preliminary step to conservancy work has been started.—At yesterday's meeting of the Sino-Belgian Commission for the retrocession of the Belgian Concession in Tientsin complete agreement was reached.—Passenger service on the Shanghai-Nanking Air Mail Line will be started on Monday, Aug. 26.—C. T. Wang has been appointed the National Government's plenipotentiary to sign the Sino-Polish Treaty of Amity and Commerce.—C. C. Wu, Chinese Minister at Washington, has cabled that he is leaving immediately for Europe to attend the League of Nations session at Geneva.—Two bombs, said to have been hidden under the railway bridge at Chalanor, were detected by Chinese railway guards this morning.

Sunday & Monday, Aug. 25 & 26.—The Chekiang Government has pledged support of the National Government in its disbandment program.—Chang Hui-chang will fly to Nanking September 1 to assume his new post as Director of the Aviation Department of the Ministry of War.—Hsai Wei-shung, Acting Charge d'Affaires of the Chinese Legation in Finland has reported an attempt by a Soviet Russian to assassinate the Chinese Consul, Sah Lah-chung, at Alamutu.—The Central Government will appoint a special deputy to direct the campaign against banditry in Shantung.—Liu Kwang, special deputy of the Commander-in-Chief's Headquarters has returned to Kirin from Suifenho following an inspection of the eastern front.—69 communist agitators, mostly former employees of the C. E. R. have been brought to Shenyang from points along the Line for detention.—Keh-sung-tse-jen has been appointed the delegate of the Mongolian and Tibetan Affairs Committee to settle the disputes between the Tibetans and the inhabitants of Sikong arising out of the creation of Sikong into a province.—Shang Chen has arrived at Taiyuan from Peiping and has reported to Yen Hsi-shan upon the politico-military situation in Hopei.—The city of Lungyen, where Communists under Chu Teh have been entrenched for some time, has been reported recaptured by Fukien Provincial Forces under Yang Fong-nien.—Conditions along the border regions are reported to be comparatively quiet, no raids or military demonstrations having taken place since the morning of the 24th.—A section of the rails where the Trans-Siberian Railway connects

"Through The Gateway Of Northern China"

Over The

Peiping-Suiyuan Railway

See the Great Wall of China, the ancient Ming Tombs at Nankow Pass, the huge stone Buddha at Yun-Kang, the ancient Buddhust relics near Tatung, and scores of other scenes rich in beauty and historical interest that await you along the Peiping-Suiyuan Railway!

Connecting with the Peiping-Mukden and the Peiping-Hankow Railways at Peiping, this line runs from Fengtai, in the general direction of Inner Mongolia, to Shuanhwa, through Kalgan, the "Gateway of Northern China", on to Tatung. Then, skirting outside the Great Wall, it proceeds to Suiyuan and finally on to Paotow, on the edge of the Great Gobi, where dusty camel caravans come in from Mongolia and the northwestern territories, laden with romantic cargoes. It is a trip you will never regret—nor forget—this journey through what is by far the most interesting part of northern China.

Special trains can be arranged for tourists. For information as to rates, schedules, accommodations, etc., apply to the Ticket Agencies—China Travel Bureau, Japan Travel Bureau, Thomas Cook & Sons,—or communicate directly with the Traffic Manager.

The

Peiping-Suiyuan Railway

Head Office

YANG-YU HUTUNG

PEIPING

An advertisement of the Chinese Government Railways

No. 5

with the C.E.R. has been removed by order of the Chinese military authorities.—A report from Shenyang states that a detachment of 1200 Japanese troops equipped with 4 field guns and 5 machine gun batteries has arrived at Shenyang.—Financial circles in Shanghai have pledged subscription to the National Disbandment Enforcement Treasury Bonds to he amount of $15,000,000.

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Shimbun Rengo News Service.

Tokyo, Aug. 22.—The departure of the Graf Zeppelin was postponed as a result of injury to one of her motors when she was being taken out of the hangar this morning.

Peiping, Aug. 22.—Yen Hsi-shan has called a disbandment conference of all divisional commanders under his command to be held at Taiyuan Aug. 24.

Hongkong, Aug. 22.—Considerable damage was caused by a typhoon which struck Hongkong at noon today.

Nanking, Aug. 22.—The Commission for the Investigation of Diplomatic Affairs, the advisory organ on foreign diplomacy of the National Government, met this evening.

Mukden, Aug. 22.—It is reported that 4000 Soviet troops have advanced across the border and occupied Mishan.

Peiping, Aug. 23.—Train service on the Peiping-Hankow Railway line has been restored.

Peiping, Aug. 23.—Madam Feng Yu-hsiang gave birth to a daughter at Taiyuan at 3 o'clock yesterday morning.

Peiping, Aug. 23.—Families of officers of the Fengtien troops stationed within the Great Wall have been ordered to withdraw to Mukden.

Kasumigaura, Aug. 23.—The Graf Zeppelin left here on her trans-Pacific flight at 3.13 p.m. today.

Harbin, Aug. 23.—Soviet troops are reported to be preparing outfits against the cold.

Nanking, Aug. 24.—General Headquarters of the Army, Navy and Air Force has inquired telegraphically of Chang Hsueh-liang whether he requires the help of other fleets of the National Government.

Tientsin, Aug. 24.—An agreement was reached last night in the Sino-Belgian negotiations over the rendition of the Belgian Concession here.

Harbin, Aug. 24.—General Blucher arrived at Chita today, to assume command of the Soviet Special Far Eastern Army, amid an enthusiastic ovation from the Red garrison, labor organizations and other public bodies.

Peiping, Aug. 25.—The 34 Soviet employees of the Peiping and Kalgan branches of the Dalbank have effected their evacuation through the good offices of the local German Legation.

Nanking, Aug. 26.—Martial law was proclaimed in the city today as a result of the explosion of a powder magazine near West Gate.

Mukden, Aug. 26.—Part of the 5th Brigade, 1,300 strong, with horses and war supplies, has passed through Chengchiatun on their way to Tsitsihar.

Peiping, Aug. 27.—Baron d'Hermalle will leave today for Nanking to interview C. T. Wang.

Nanking, Aug. 27.—The Soviet Government's reply to the protests of the National Government against the aggressions of Soviet troops has been received. It declares that there have been no invasions into Chinese territory and that the Soviet Government is taking measures against the invasion into Russian territory of White Russian troops under the direction of the Chinese army.

RUSSIAN AND CHINESE OFFICIAL STATEMENTS ON C. E. R. DISPUTE

(Continued from page 32)

In conclusion, the Minister emphasized that all these were precautionary and defensive measures and only necessitated by the threatening attitude and systematic raids of the Soviet troops along the border. Dr. Wang deplored the fact that Soviet propaganda was purposely misleading the Russian people to believe that Russia was the aggrieved party. He was happy to note, however, that it was not blinding the world to the actual facts and true situation.—Reuter.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price August 29	Approx. Yield to Maturity %
The National City Bank of New York		New Stock	401	——
Argentine Government	6	Oct. 1, 1960	99⅝	6.03
Australia	4½	May 1, 1956	85½	5.55
U. S. of Brazil	6½	Oct. 15, 1957	89	7.44
Kingdom of Belgium	7	Nov. 1, 1956	106⅛	6.51
City of Budapest	6	June 1, 1962	76½	8.04
Canadian Pacific Railway	4	Perpetual Stk.	83	4.82
Chgo., Milw., St. Paul & Pacific Rwy	5	Jan. 1, 2000	77	6.52
ChicagoRapidTransit Co.	6	July 1, 1953	87	7.14
Chile Copper Co. Debs	5	Jan. 1, 1947	93½	5.59
Chile Government (Railway)	6	Feb. 1, 1961	91	6.69
Cuba Northern Railway	5½	June 1, 1942	79	8.15
Chile Government	6	Sep. 1, 1961	91	6.69
CubanDominicanSugar	7½	Nov. 1, 1944	65	——
Kingdom of Denmark	6	Jan. 1, 1942	103¾	5.59
Dutch East Indies	5½	Nov. 1, 1955	103¼	5.27
Republic of Finland	5½	Feb. 1, 1958	85½	6.64
French Government	7	Dec. 1, 1949	109¾	6.15
German Government	7	Oct. 15, 1949	105⅞	6.47
German Central Bank for Agriculture	6	Oct. 15, 1960	79½	7.76
German Central Bank for Agriculture	6	Apr. 15, 1938	85½	8.42
German General Electric Co.	6	May 1, 1948	91	6.85
Greek Government	6	Feb. 1, 1968	82	7.43
Ilseder Steel Corporation	6	Aug. 1, 1948	83	7.72
Kingdom of Italy	7	Dec. 1, 1951	95½	7.42
Japanese Government	6½	Feb. 1, 1954	100¼	6.48
State of Minas Geraes (Brazil)	6½	Mar. 1, 1958	88½	7.48
Mortgage Bank of Chile	6	Apr. 30, 1961	91½	6.65
Norwegian Hydro-Elec.-Nitro. Corp.	5½	Nov. 1, 1957	88½	6.39
Kingdom of Norway	6	Oct. 15, 1952	102	5.84
Northern Ohio Power & Light Co.	6½	Jan. 1, 1941	97	6.88
Republic of Peru	6	Dec. 1, 1960	85	7.22
Paris, Lyons & Med. Rwy.	6	Aug. 15, 1958	99¾	6.02
Republic of Panama	5	May 15, 1963	91	5.60
State of Rio Grande Do Sul (Brazil)	6	June 1, 1968	81⅞	7.43
Rhine Westphalia Elec. Power Corp.	6	Aug. 1, 1953	91	6.76
Saxon State Mortgage Inst	6½	Dec. 1, 1946	88	7.78
Saxon Public Works, Inc.	6½	May 1, 1951	89	7.53
Tokyo Electric Light Co.	6	Jun. 15, 1953	87	7.14
United Kingdom of Gr. Britain	5½	Feb. 1, 1937	101¾	5.21
City of Vienna	6	Nov. 1, 1952	86	7.26
Abitibi Power&PaperCo.	6	Cum. Pfd. Stock.	83¾	7.16
BelgianNat'l.Rwy.Peptg. Pfd. Stock	6	(American Shrs)	83½	7.19
Cannon Mills Co. (Dividend $2.80 p. a.)		Common Stock	46¾	——
General Mills, Inc.	6	Cum. Pfd. Stock.	94⅞	6.32
General Mills, Inc. (Div. $3.00 perannum.)		Common Stock	73½	——
Hershey Chocolate Corp. Convertible	4	Pfd. Stock	124	3.23
Mohawk Carpet Mills, Inc. (Div $2.50 p.a.)		Common Stock	63¼	——
Pennsylvaina-Dixie Cement Corp	7	Cum. Pfd. Stock.	51	——
Willys Overland Co.	7	Cum. Pfd. Stock	96½	7.25
General Motors Corp. (New)		Common Stock	72⅜	——
Andes Copper MiningCo.		Common Stock	56	——
United States Steel Corp.		Common Stock	253¼	——
Standard Oil Co. of New Jersey		Common Stock	71¼	——
Standard Oil Co. of New York		Common Stock	45½	——
Pennsylvania Railroad Company		Common Stock	104⅞	——
United Aircraft & Transport Corp. (p. v. $50)	6	Pfd. Stock	95⅜	3.15
United Aircraft & Transport Corp.		Common Stock	142	——

NOTE: The above quotations are received by Cable, and while believed to be correct, are not guaranteed.

Shanghai Exchange for Week Ending Wednesday, 28th, August 1929

Silver:—On the 22nd inst. the price of Bar Silver was quoted 2/4 5/16d. for spot and 2/4 7/16d. for 2 months delivery. Next day a rise of 1/8th took place but this gain was lost on the 24th inst. No change has occurred since until this morning when rates came in as 24 3/8d. and 24½d. respectively

Exchange:—Merchants requirements at this Season are usually small but it is safe to assert that not for many years has business been so inactive or dwindled to such small proportions. The Official rate for T.T. on London has remained at 2/4¼d. all the week.

Exchange has closely followed the price of silver. On the 22nd inst rates of 2/4 5/16d. for T/T on London and 57⅞ for G. $ New York were obtainable:—On the 23rd Silver being 1/8th up Banks were offering to sell at 2/4 11/16d. and 58 respectively. The following day Silver lost the 1/8th and the market became 2/4 5/16d. and 57¾; fluctuations of the gold Bar between 392.40 and 394.80 since then with no special circumstance to exert an influence either way, a quiet but steady market has prevailed and with but a minimum of variation. At the close Banks were selling to Merchants at the following rate:—T.T. on London 2/4 7/16d. on New York 57 5/8 and Yen 81⅛.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver..... Tls. 90,011,000 a decrease of Tls. 265,000

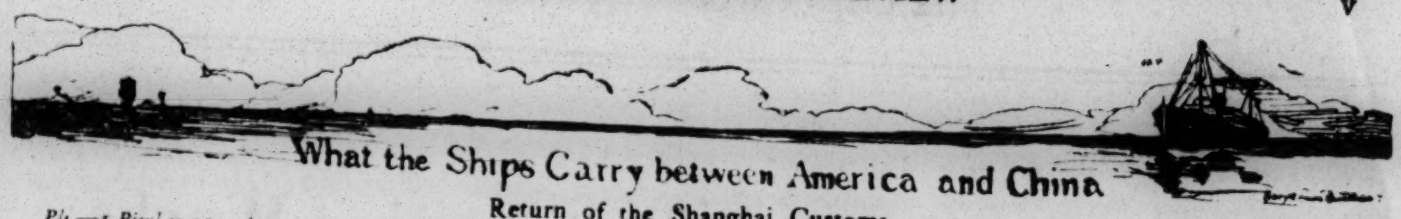
Chinese and Mexican Dollars..... 130,650,000 an increase of $2,090,000

Estimated value Tls. 184,079,000 as against Tls. 124,088,000 held at this time last year.

	Average rates for July	Thursday August 22nd	Friday August 23rd	Saturday August 24th	Monday August 26th	Tuesday August 27th	Wed., August 28th
Bank's selling rates		*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*	*opening* *closing*
T/T London	2/4.240	2/4¼	2/4¼	2/4¼	2/4½	2/4¼	2/4¼
D/Dfts ,,	—	2/4 5/16	2/4 5/16	2/4 5/16	2/4 5/16	2/4 5/16	2/4 5/16
4 m/s ,,	—	2/4 7/16	2/4 7/16	2/4 7/16	2/4 7/16	2/4 7/16	2/4 7/16
T/T India	158.310	158¼	158¼	158	158	158	158
T/T France	1,457.800	1460	1460	1460	1460	1460	1460
T/T On N.Y. Demand	57.035	57 57⅛	57 57⅛	57 57⅛	57 57⅛	57 57⅛	57 57⅛
T/T Hamburg R. M.		239½	239½	239½	239½	239½	239½
T/T H'kong	83.530	83½	83½	83½	83½	83½	83½
T/T Japan	79.875	82	81¾	81⅞	82	82	81¾
T/T Batavia	142.110	142½	142½	142½	142½	142½	142½
T/T Straits	98.450	98½	98½	98½	98½	98½	98½
Bk's buying rates							
4 m/s B/L. Cred. D/A	2/5.990	2/6	2/6	2/6	2/6	2/6	2/6
4 m/s ,, D/P	—	2/6⅛	2/6⅛	2/6⅛	2/6⅛	2/6⅛	2/6⅛
6 m/s ,, B/L Cred D/A	2/6.302	2/6 5/16	2/6 5/16	2/6 5/16	2/6 5/16	2/6 5/16	2/6 5/16
4 m/s B/F Cred D/A or D/P	1,540.000	1545	1545	1545	1545	1545	1545
4 m/s N Y Lc.	60.035	60⅛	60⅛	60⅛	60⅛	60⅛	60⅛
4 m/s ,, Doc.	—	60⅝	60⅝	60⅝	60⅝	60⅝	60⅝

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling	Aug. 22	Aug. 23	Aug. 24	Aug. 26	Aug. 27	Aug. 28
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	24 5/16	24 7/16	24 5/16	24 5/16	24 5/16	24⅜
**New York Price of Bar Silver per oz. (Pure)	G.$.52⅝	52⅞	G.$.52⅝	G.$.52⅝	G.$.52⅝	G.$.52¾
Shanghai Price of Gold Bars (weight Tls. 10 (Chau-ping) 978 touch)	Tls. 393.10	Tls. 393.50	Tls. 394.70	Tls. 393.10	Tls. 393.80	Tls. 394.20
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	111.0	111.00	111.0	111.00	111.0	111.00
ShanghaiMexicanDollars per $100	71.9125	71.90	71.90	71.8875	71.90	71.8875
Native Bank Rate of Interest (Call money)	3%	3%	3%	3½%	3%	2½%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	5½%	London on Paris	T/T 123.84
Bank of France rate of discount	3½%	New York on London	T/T 4.84¾
London open Market of Dis. 3 m/s	5½%	Bombay on London	T/T 1/5 15/16
,, 4 ,,	5 17/16%	Hongkong on London	T/T 1/11⅛
,, 6 ,,	5 15/16%	Kobe on London	T/T 1/11 1/16



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces, Mille—thousands; Hk. Tls.—Haikwan Tls.; Aug. Customs Rate Tls. 1.56 equal Gold $1

PRESIDENT JACKSON, June 28.
From U. S. of America.

Treasure:		
Silver Bars	Hk.Tls.	1,067,085

CALIFORNIA, June 29.
From U. S. of America.

Paper, Common Printing	Pls.	1,921
Paper, Writing	,,	558
Timber, Softwood:		
Rough Hewn	Sup.ft.	47,623
Clear	,,	38,505

SHINYO MARU, June 28.
From U. S. of America.

Iron, Scrap, Old	Pls.	442
Cotton, Raw:		
American	Bls. 1,800 ,,	6,300
Leather, Calf	,,	2
Newspapers, Old	,,	1,499
Tobacco, Leaf	,,	3,452
Cigarettes	Mille	2,750
Motor Passenger Vehicles	Pcs.	9
Motor-trucks Chassis	,,	10

EMPRESS OF ASIA, June 29.
From U. S. of America.

Cotton Sheetings:		
Grey, 12 lb	Pcs.	5,000
Cobalt, Oxide of	Pls.	15

PRESIDENT MADISON, June 29.
To U S. of America.

Silk, Raw, Steam Filature:		
White, Shanghai	Bls. 185 Pls.	183.02
Silk Pongees, Honan	,,	8.40
Tea, Black:		
Keemun, Kiukiang	,,	17
Tea, Green:		
Gunpowder, Ningpo	,,	490
Brassware	,,	28
Bristles, Assorted	,,	97
Egg Albumen, Dried	,,	168
Egg Yolk, Dried	,,	1,320
Feathers, Goose	,,	52
Horsehair	,,	113
Intestines, Pig, Salted	,,	10
Oil, Wood	,,	4,503
Skins, Dog, Tanned	Pcs.	2,011
Skins, Lamb, Untanned	,,	29,770
Skins, Sheep, Untanned	,,	4,450
Skins, Weasel, Untanned	,,	15,051
Skins, Kid, Plates, Tanned	,,	400
Skin Mats, Kid, Tanned	,,	4,000

TAKAOKA MARU, June 29.
To U. S. of America.

Silk Waste, Refuse:		
Shanghai	Bls. 31 Pls.	101.23
Silk Piece Goods	,,	1.27
Tea, Black:		
Congou, Wenchow	Pls.	41
Other kinds, Kiukiang etc.	,,	180
Tea, Green:		
Young Hyson, Kiukiang etc.	,,	277
Hyson, Hangchow etc.	,,	131
Gunpowder, Ningpo etc.	,,	34
Antimony, Crude	,,	420
Antimony, Regulus	,,	420
Egg Albumen, Dried	,,	161
Egg Yolk, Dried	,,	37
Wool, Sheep's	,,	195

VENICE MARU, July 1.
From U. S. of America.

Steel Angles	Pls.	767
Steel Wire Shorts	,,	760
Tinned Plates, Plain	,,	542
Borax, Granulated	,,	827
Milk, Evaporated	,,	331
Paper, Chipboard	,,	5,988
Paper, Kraft	,,	79
Tobacco, Leaf	,,	2,752
Oil, Lubricating, Mineral	Galls.	16,851
Cigarettes	Mille	52,500

BRITISH PRINCE, July 1.
To U. S. of America.

Bristles	Pls.	100
Skins, Goat, Untanned	,,	811
Wool, Sheep's	,,	165

MIKASA MARU, July 1.
From U. S. of America.

Tinned Plates, Plain	Pls.	1,961

DIANA DOLLAR, July 1.
From U. S. of America.

Timber, Softwood:		
Ordinary Manufactured	Sq.ft.	1,532,922
Merchantable, on net measure	,,	122,891

CHIEF CAPILANO, July 2.
From U. S. of America.

Timber, Oregon Pine:		
Ordinary, Sawn	Sup.ft.	491,070
Logs	Sup.ft.	420,986

MUNCASTER, July 3.
From U. S. of America.

Iron, Old	Pls.	570
Cotton, Raw:		
American	Bls. 350 ,,	1,225
Indigo Paste, Artificial: 20 per cent. strength	,,	821
Sulphur Black	,,	399
Newspapers, Old	,,	1,499
Soda, Caustic	,,	3,129
Tobacco, Leaf	,,	3,994
Oil, Lubricating, Mineral	Galls.	71,833

GRAYS HARBOR, July 3.
From U. S. of America.

Paper, Common, Newsprint	Pls.	495
Flour, Wheat	,,	735
Timber, Ordinary, Sawn Softwood	Sup.ft.	964,039

Latest New York Stock Exchange Quotations

Swan, Culbertson & Fritz. Tel. 11200 (4 lines) August 28.
Market Irregular Business Done 3,896,440 Shares

STOCK	Tuesday Aug. 1	Monday Aug. 26	Tuesday Aug. 27
Alleghany Corporation	50	50⅜	50⅝
Allied Chemical	318	341½	345
American Can	164¼	177⅜	176
American Commonwealths Power "A"	29	29⅞	29⅞
American Smelting	113	120¼	119
American Rolling Mill	—	125½	125½
American Tel. & Tel.	280	302	298¾
American Tobacco "B"	118⅞	195½	194
American Waterworks	135	146	148
Anaconda Copper	117¼	125¾	125¼
Armour & Co. "A"	11	11⅛	11
Atlantic Refining	67	67¼	66½
Baltimore & Ohio	134⅜	137⅝	139¼
Bank of Montreal	346	352	352
Bethlehem Steel	123½	136	136½
Calumet & Hecla	42¾	46½	46⅛
Canadian Pacific Railway	227¾	231⅛	231⅞
Chicago Northwestern	91⅞	102	102
Chrysler	72	72¼	71¾
Columbia Gas & Electric	—	90¾	90¾
Columbia Gramaphone	64⅛	62	64½
Consolidated Gas of New York	149½	175¼	174
Corn Products	98½	105½	108¾
Coty Inc.	58¾	52⅝	53⅜
Davison Chemical	51¾	48⅛	48¼
Drug Inc.	—	113½	115½
Dry Docks	16¾	Unq	Unq
DuPont de Nemours Co.	187	216⅜	214
Electric Bond & Share	139⅛	168	167¾
Erie Railway	Unq	86½	88¼
General Electric	382	389⅝	392
General Food	74	70⅝	70¼
General Motors	70⅜	72½	72⅜
General Railway Signal	119	120¾	124¾
Gold Dust	65	60¾	60⅝
Goodrich Rubber	76½	73½	73½
Goodyear Rubber & Tire Co.	121⅜	110¼	112⅛
Granby Consolidated	80	81	80½
Haygart Corporation	69⅛	69	68⅞
International Cement	79	71	68½
International Harvester	122	121⅝	123
International Nickel (Com)	47⅜	55⅜	55
International Printers Ink	54⅞	57¾	58¼
International Products (Com.)	8	7½	7
International Tel. & Tel.	—	144⅝	142
Johns Manville	183	198	195
Kelvinator	16⅝	Unq	15¾
Kennecott Copper	88¾	90¼	89⅜
Lambert Co.	146	137¼	138
Lehigh Valley	94	91¾	91
Liggett & Myers, "B"	89	92	91¼
Mack Trucks	96¾	99½	98
Madison Square Garden	18½	17	Unq
Missouri Pacific (Com)	93	93⅜	94¼
Montgomery Ward	119	136	133
Nevada Consolidated Copper	48	47¾	46¾
New York Central	232½	242½	243⅛
Northern Pacific Railway	109⅞	111⅜	111
Packard Motor Car (Com)	130	148¼	146⅞
Paramount Famous Lasky	67	71	70⅜
Pennsylvania Railroad	94¾	102	104⅞
Pennroad Corporation	29⅜	26⅜	26⅛
Phillips Petroleum	36⅝	38½	38⅜
Radio Corp. of America (Com)	87¼	94	94¼
Raybestos	—	Unq	55½
Reading Railway	120⅛	124	123¼
Reynolds Tobacco, "B"	54½	54½	54¾
Rock Island Railway	136	139	139¼
Shell Union	26½	29	29
Simmons Co.	116	133½	131½
Southern Pacific Railway	142	144½	147¼
Standard Gas & Electric (Common)	139	140½	149¼
Standard Oil of New Jersey	57⅝	72⅛	71¾
Standard Oil of New York	39¼	45¾	45½
Texas Corporation	61½	70¾	70⅝
Texas Gulf Sulphur	71⅝	72⅛	72¼
Timken Roller Bearing	102	105	105⅜
Union Carbide & Carbon	120⅜	133	132
Union Pacific Railrway	266	287½	288⅝
Under Aircraft & Transport	—	132⅝	Unq
U. S. Industrial Alcohol	181⅞	190	197⅝
U. S. Leather "A"	34⅞	Unq	34½
United States Realty & Improvement	88⅝	89½	88¾
United States Steel	213¼	254½	255¾
Vacuum Oil	121⅞	126⅞	125
Vanadium	87¼	84	82½
Warner-Quinlan (Com)	31¾	34	33¼
Westinghouse E. & M. (Com)	211⅝	282	278
Willys Overland	24¾	22⅞	22⅜
Wright Aeronautical	128	138	135½
CALL MONEY	12%	7%	9%

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Name	Length on Blocks	Breadth		Depth on Sill
		Top	Bot.	
No. 1 Dock	545-ft.	70-ft.	62-ft.	20-ft.
No. 2 Dock	502- „	70- „	60- „	23- „

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Chinese Government Railways

Peiping-Hankow Line

"The Road Through the Heart of China"

Time Table

In effect Feb. 20, 1929

From Peiping to Hankow

Station / Train	Peiping	Shih-ka-chuan	Chengchow	Hsiao-kan hsien	Hankow
* No. 1	d.18.00	a. 2.16 d. 2.56	a.17.15 d.17.35	d.11.49	a.14.20
* No. 11	d. 9.55	a.19.27 d.20.07	a.13.26 d.13.45	a.12.18 d.12.23	a.16.05
* No. 3			d.13.15	a. 7.18 d. 7.21	a. 9.50
No. 9	d. 9.40	a.18.21 d.19.01	a 10.50		
No. 23	d. 5.40	a 21.44			
No. 25		d. 3.45	a. 5.05		
No. 27			d.10.06	a.20.07 d.20.37	a. 2.33
No. 75				d.13.00	a.17.05

From Hankow to Peiping

Station / Train	Hankow	Hsiao-kan-hsien	Chengchow	Shih-kia-chuan	Peiping
* No. 2	d.18.00	d.20.39	a.14.28 d.14.48	a. 5.05 d. 5.45	a.13.50
* No. 12	d.10.50	a 14.51 d.14.56	a.13.13 d.13.33	a. 7.32 d. 8.12	a.17.30
* No. 4	d.13.30	a.16.01 d.16.03	a.10.05		
No. 10			d.17.41	a. 9.33 d.10.13	a.18.35
No. 28	d. 1.00	a. 7.00 d. 7.20	a.17.34		
No. 26			d.22.34	a. 2.15	
No. 24				d. 7.40	a 20.06
No. 74	d. 7.45	a.11.39			

REMARKS: *With First, Second and Third Class Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peiping-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

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